

SFCPSC Partnering Enhancement Proposal (PEP)

Success Factor 1.0: Education and Training

Issue 1.4.1 Interdepartmental Project Issue Resolution

Barrier

Interdepartmental projects add an additional layer of complexity to the resolution of traditional project issues. We need to develop a set of best practices and guidance for resolving issues for these projects.

Problem Statements and Current Practice

Currently, the project managers (PMs), construction managers (CMs) and resident engineers (REs) delivering projects for City departments, as well as contractors and designers, do not have a mutual understanding of how to best create and use the Issue Resolution Ladder (IRL) to resolve construction project issues for interdepartmental projects.

- How can we teach project teams to understand and effectively develop a Partnering process for interdepartmental projects that can enhance project collaboration?
- How can we adjust the IRL to speed up construction project negotiation?

Proposal 1.4.1. Issue Resolution Ladders (IRLs) for interdepartmental projects

We agree that the Issue Resolution Ladder (IRL) is a tool implemented on Partnering projects to empower the field level to make decisions and to elevate issues when either side of the ladder gets stuck.

Research has revealed that the most common interdepartmental project types involve:

- SFMTA (PM) and Public Works (CM) or Public Works providing CM/PM for SFMTA projects
- Port of San Francisco (PM) and Public Works (CM) or Public Works providing CM/PM for Port
- SFPUC (PM) and Public Works (CM)
- SF Department of Health and Public Works (CM/PM)
- SF Fire Department and Public Works (CM/PM)

Common challenges arising from interdepartmental projects include:

- One entity will automatically elevate issues to the top executive level before the project team has an opportunity to explore and develop consensus (avoiding the IRL altogether)
- Contractors rarely understand how project-level decision making takes place and it is common for these projects to lack a clear owner/decision-maker, delaying decision-making

Recommendations:

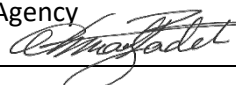

- We will develop a sample Integrated Dispute Resolution Ladder and best practices to be included in the updated Partnering Field Guide (Addendum 1)
- We will update field guidance with new policies and procedures related to interdepartmental issue resolution and claims avoidance

Resources Required

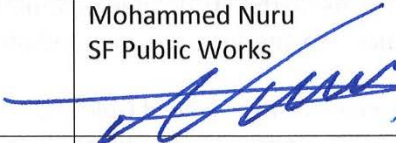
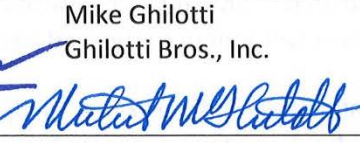




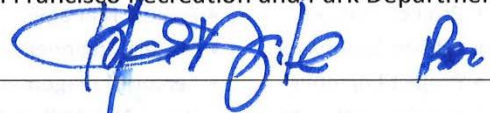
The SFCPSC Partnering Facilitator and Partnering Coordinator will develop draft policies and procedures to be reviewed and vetted by the Education and Training subcommittee and verified by the SFCPSC. Ultimately, the findings and revised policies and procedures will be added as chapters in an updated Partnering Field Guide.

Performance Measurement

The measurement of success for this PEP will be the development of a chapter for the Partnering Field Guide focused on the delivery of interdepartmental projects, including sample Issue Resolution Ladders and policies and procedures accepted by each of the six Chapter 6 departments.

Concept Approved By:	Performance Measures Co-Chair Signatures	Date
Education and Training subcommittee Co-Chairs	Bijan Ahmadzadeh SF Municipal Transportation Agency 	9/26/17
	Ed Moore Monterey Mechanical 	9/26/17

Addendum 1: Sample Interdepartmental Integrated Dispute Resolution Ladder

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Concept Approved By:	SFCPSC Department Leads	Date	
SFCPSC Co-Chairs	Mohammed Nuru SF Public Works 	Mike Ghilotti Ghilotti Bros., Inc. 	2/22/18
SFCPSC Department Leads	Kathy How San Francisco Public Utilities Commission 		2/22/18
	Elaine Forbes Port of San Francisco 		2/22/18
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	Ed Reiskin San Francisco Municipal Transportation Agency 		2/22/18
	Phil Ginsburg San Francisco Recreation and Park Department 		2/22/18

Addendum 1: Sample Interdepartmental Integrated Dispute Resolution Ladder

The Issue Resolution Process for Interdepartmental Projects

Each interdepartmental project’s issue resolution process will be governed by the lead agency defined in either the interdepartmental project Memorandum of Understanding (MOU) or work order. The lead agency is fully authorized to administer the project scope within its defined allotment and contingency. The partnering process will adhere to the lead agency’s partnering processes and procedures.

For interdepartmental projects or work orders, the new Partnering Field Guide will recommend that the lead agency include funding agency representatives (2nd agency, 3rd agency, etc.) in project issue resolution, particularly when scope and/or cost exceeds the project allotment for that funder.

In the partnering policies and procedures, the lead agency will invite key members of the funding agency to participate in the Partnering process as stakeholders. For higher risk projects (partnering Level 3 and above), the deputy director and/or director of CM may be invited to the partnering process as a stakeholder.

Interdepartmental Projects Partnering Meeting Invitations

When coordinating the partnering process for the project team, the City project manager, construction manager and/or resident engineer needs to work with the contractor project manager to develop a list of key attendees who will represent the owner’s team (lead agency), the contractor’s team (prime contractor and key subcontractors), the designer’s team (the architect and/or engineer), and key stakeholders.

Below is a sample list of whom to invite to the meeting:

Lead Agency	Contractor	Architect/Engineer	Potential Third Parties/Stakeholders
<ul style="list-style-type: none"> • Lead Inspector • Resident Engineer • Construction Manager • Project Manager • QA/QC Lab Rep (if applicable) • Public Information Officer (if applicable) • Senior Management (Deputy Director, Director of CM, and/or Director) 	<ul style="list-style-type: none"> • Project Manger • Jobsite Supervisor • Project Engineer • Key Subcontractors • Senior Management (Area Manager/Ops Manager, VP or President) 	<ul style="list-style-type: none"> • Project Manager • Project Engineer • Senior Management (Lead Architect and/or Principal) • Engineering: Ops Manager or Vice President 	<ul style="list-style-type: none"> • PM from secondary dept. or funding depts. • Utilities • Other agencies • Key Third Parties • If needed – Contract Monitoring Division • <i>If High Risk – Deputy Director or Director of CM for 2nd dept. or funding depts.</i>

Interdepartmental Issue Resolution

For interdepartmental projects, teams often need to acquire signatures from additional departments when the scope or budget is increased. When the amended scope exceeds the planned project contingency, teams may struggle to resolve the issue.

Best practices for building an integrated interdepartmental project team:

- Identify the PM and the key decision-makers from your secondary agencies/funding agencies and include them in the Partnering process as stakeholders
- Establish time lines and cover roles and responsibilities in the kick-off Partnering session
- Hold regular coordination meetings (weekly or bi-weekly) and ensure your secondary departments are participating so emerging issues are not a surprise
- Engage senior staff from funding agencies in stakeholder Partnering – if a change order requires additional funding, senior staff who are familiar with your project can become champions for your team
- Hold regular Partnering sessions throughout the duration of the project to encourage communication and foster creativity when project issues come up
- If the funded scope is significant, consider adding an additional column to your Issue Resolution Ladder, so they are included in the decision-making for that scope of work (see sample IRL at bottom)

Traditional Interdepartmental Project – Single Lead Agency

Level	Lead Agency* (Represents Designer, QA/QC, etc.)	Contractor (Represents Subs, Materials Suppliers, etc.)	Time to Elevate
I	Inspector	Superintendent	Up to 1 shift
II	Resident Engineer / Construction Manager	Project Manager	Up to 3 work days
III	Lead Agency PM	Project Executive	Up to 5 work days
IV	Director of CM	Project Executive / Ops Mgr.	Up to 3 work days
V	Deputy Director	Vice President	Up to 5 work days
VI	Director	President	Up to 3 work days
ADR	Facilitated Dispute Resolution		

*Lead agency – is defined as the responsible entity fully authorized to administer the contract.

Interdepartmental Project with Large Secondary Scope

Level	Lead Agency* (Represents Designer, QA/QC, etc.)	Secondary Dept. (Decision influencer for scope in their purview)	Contractor (Represents Subs, Materials Suppliers, etc.)	Time to Elevate
I	Inspector		Superintendent	Up to 1 shift
II	Resident Engineer / Construction Manager		Project Manager	Up to 3 work days
III	Lead Agency PM	2 nd Dept. PM	Project Executive	Up to 5 work days
IV	Director of CM	2 nd Dept. Dir of CM	Project Executive / Ops Mgr.	Up to 3 work days
V	Deputy Director		Vice President	Up to 5 work days
VI	Director		President	Up to 3 work days
ADR	Facilitated Dispute Resolution			

*Lead agency – is defined as the responsible entity fully authorized to administer the contract.

++2nd agency – provides funding, financial oversight and expertise for the construction project. They will be included in the decision-making process if additional scope and/or funds are required for this project.