


<b>SAN FRANCISCO PUBLIC UTILITIES COMMISSION INFRASTRUCTURE CONSTRUCTION MANAGEMENT PROCEDURES</b>	
<b>SECTION: SFPUC INFRASTRUCTURE CONSTRUCTION MANAGEMENT</b>	<b>APPROVED:</b> 
<b>PROCEDURE NO: 023</b>	<b>DATE: 6/7/2019</b>
<b>TITLE: PARTNERING</b>	<b>REVISION: 1</b>

### **1.0 Policy**

Partnering is required for each SFPUC Infrastructure construction contract with a value equal to or greater than \$2 million dollars. 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. The partnering process shall not have any legal significance or to be construed as denoting a legal relationship of agency, partnership, or joint venture between the City and Contractor.

This SFPUC Infrastructure Construction Management (CM) Procedure applies to all personnel working on SFPUC Infrastructure Projects during construction to the extent that their work is affected by this CM Procedure and does not conflict with specific SFPUC policies or the Contract under which the Work is executed.

### **2.0 Description**

This SFPUC Infrastructure CM procedure establishes the requirements for instituting and conducting a Project Partnering process.

### **3.0 Definitions**

#### **3.1 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

### 3.2 **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 create a collaborative atmosphere on each project.

### 3.3 **Core Team Partnering**

On any project, a core team is identified from those Project Team members who are a part of the project for its duration during the Pre-Construction and Construction Phases, including the following (not in order of hierarchy):

<b>SFPUC:</b>	<b>Contractor:</b>
Resident Engineer Project Manager Construction Manager Project Engineer Program Director (If Applicable) CMB Manager Inspectors Field Contract Administrator Client Department representative	Building Superintendent Project Executive Jobsite Supervisor Project Engineer Subcontractors Key suppliers 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.	

### 3.4 **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.

### 3.5 **Executive Sponsorship**

Commitment to and support of the partnering process from the senior most levels of the City and Contractor organizations.

### **3.6 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 City Representative.

### **3.7 Kick-off Partnering Workshop**

The initial partnering session where the team develops their initial partnering Charter and officially starts the partnering process.

### **3.8 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 at Facilitator's direction. For very large projects such as this one, 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.

### **3.9 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.

### **3.10 Professional Neutral Facilitator ("Facilitator")**

The mutually agreed upon experienced professional neutral facilitator whose business is providing partnering services for construction projects.

### **3.11 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 Facilitator. The Facilitator then compiles the responses into a report which is then sent out to the Project Team for review.

### **3.12 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.

### **3.13 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.

### **3.14 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.

<b>Sample - Resolution Ladder</b>	<b>Level</b>	<b>SFPUC</b>	<b>Contractor</b>	<b>Time to Elevate</b>
	I	Inspector or Resident Engineer (City Representative)	Foreman/ Superintendent	1 day
	II	Project Manager	Project Manager	1 week
	III	CMB Manager	Area Manager	1 week
	IV	Assistant General Manager/Program Director	Operations Manager	2 weeks
	V	SFPUC General Manager/Assistant General Manager	Owner; President	2 weeks

### **3.15 Self-Directed Partnering**

The Project Team leads themselves through all of the Collaborative Partnering elements.

### **3.16 Special Task Forces**

A subset of the Project Team that is assigned to take on a specific issue or opportunity for the good of the overall project.

### **3.17 Stakeholder Team (as in Multi-tiered Partnering)**

Those people who have a stake in the outcome of a construction project.

### **3.18 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.

### **3.19 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.

### **3.20 Third-Party Facilitator Agreement**

An agreement (Section 00 73 83/A), appended to this Specification, to which the 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.

## **4.0 Responsibilities**

### **4.1 Resident Engineer (RE)**

The RE manages and administers the project construction contract and serves as the prime point of contact between the Contractor, the City, and external stakeholders comprised of community residents, local government officials and agencies, schools, churches, businesses and local community organizations, among others. The RE mutually selects with the Contractor the Partnering Facilitator and participates in the Partnering process.

### **4.2 Contractor**

The Contractor is the entity awarded the contract to perform the Work. The Contractor mutually selects with the RE the Partnering Facilitator and participates in the Partnering process.

### **4.3 Partnering Facilitator**

The Partnering Facilitator is the professional selected by both parties who is responsible for initiating the partnering effort and conducting the Partnering Workshop. The Facilitator assesses the needs of the CM team and the Contractor and designs and implements a tailored Partnering Workshop, provides training, and guides the team-building, problem-solving, and goal setting efforts of the process and, in accordance with the

Three-Party Agreement, may hold periodic Partnering Workshops during the duration of the project.

## **5.0 Implementation**

(Reference Section 2.0, Document 00 73 83; Partnering Implementation)

- 5.1** After Contract Award, but in no case later than 30 calendar days after the Notice to Proceed (NTP), the RE and Contractor meet to discuss establishment of a Partnering process, which includes identification of Partnering Facilitation candidates and the Partnering Workshop schedule, location, workshop participants, and compensation. The discussion may be part of or following the Pre-Construction Conference.
- 5.2** Within 30 calendar days of NTP, the RE, the Contractor and the selected Partnering Facilitator execute a Three-Party Agreement. All parties must sign the Agreement prior to initiation of partnering meetings or workshops.
- 5.3** Prior to the Partnering Kickoff Workshop the Facilitator meets with the RE, Contractor and primary stakeholders to mutually develop the strategy and content for a successful partnering process. Interviews of principal staff and questionnaires of attendees provide content for framing the session (reference Attachment 023-1).
- 5.4** The Facilitator develops the Agenda and conducts the Partnering Kickoff Workshop (reference Attachment 023-2 Sample Agenda).
  - 5.4.1** Content areas to be covered are, but not limited to:
    - Partnering Workshop Overview
    - Brief Project Description
    - Primary Project Goals and Objectives
    - Key Team Members' Roles and Responsibilities (include Organization Chart)
    - Potential Project Risks, Issues, Concerns and Problems; examples may include, though not be limited to:
      - Risk Assessment Report (identify priorities)
      - Schedule: milestones, outages, and shutdowns
      - Long Lead Items
      - Quality Management
      - Coordination with the Operating Division and City Departments
      - Communication (e.g., Public Outreach/neighbors)

-Testing, Startup, O&M Plan, and Training

- Managing Risks, Solving Problems and Making Commitments: risk/problem elaboration discussion, recommended actions and schedule
- Dispute Resolution Process/Ladder (reference Attachment 023-3)
- Performance Monitoring and Measurements
- Partnering Agreement;
- Potential Agenda Items for follow-up Partnering Workshop

5.4.2 The Partnering Workshop may be held at the site of either\ party or a neutral location.

- 5.5 The RE and the Contractor, after the Workshop, maintain open communication on critical issues by conducting periodic meetings with key personnel from both parties.
- 5.6 The RE and the Contractor ensure periodic evaluations of mutual performance are conducted throughout the project.
- 5.7 In accordance with the requirements of the specifications, over the Contract duration, the RE and the Contractor will hold further facilitated Partnering Workshops, as required or agreed upon, as part of the initial partnering strategy.

## **6.0 Other Procedural Requirements**

### **6.1 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

## **6.2 Unresolved Issues**

Issues that are not resolved through Partnering may be elevated by the RE or Contractor up the ladder to the Dispute Review Board or Dispute Resolution Advisor, whichever process is part of the Contract.

## **6.3 Compensation for Partnering**

6.3.1 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. Contractor's half share shall be from Contractor's own funds or General Conditions monthly payment, while the City's half share shall be paid to the Contractor as a Reimbursable Expense or from contract Allowance Bid Item.

6.3.2 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. No mark-up, overhead or other fees shall be added to the partnering costs. If the total cost of partnering is larger than the estimated amount provided in the Agreement, Allowance Bid Item or the amount of Reimbursable Expenses shall be adjusted by Change Order, 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.

6.3.3. With the exception of the Facilitator's fees and workshop site costs described in Paragraph 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 General Conditions Payments during the Construction Phase. The SFPUC will pay for its half of the cost through an allowance or change order.

6.3.4 Standard hourly rates have been established. Discuss with the responsible Construction Manager.

## **6.4 Scorecards and Reporting**

For all contracts with construction costs greater than \$5 million project, scorecards and periodic evaluations are required. The Facilitator and/or



an internal team member may be requested to initiate these efforts. The minimum frequency is included in Contract Specification Section 01 31 33.

## **7.0 References**

### **7.1 Technical Specifications**

Section 00 73 83 Formal Partnering Specification

Section 00 73 83/A Formal Partnering Facilitator TPA

### **7.2 SFPUC Infrastructure CM Procedures**

No. 025 Dispute Resolution Advisor (DRA)

No. 026 Dispute Review Board (DRB)

### **7.3 Others**

Partnering References/Resources (covers all formats):

*A Mini Guide to Partnering*. San Francisco Public Works, Office of Communications and Public Affairs, June 23, 2016

<http://www.sfpublishing.org/sites/default/files/Mini%20guide%20to%20partnering%206.23.16%20.pdf>

*Field Guide to Partnering on Caltrans Construction Projects*. CA Department of

Transportation Division of Construction, September 2013.

*Partnering Program and Authorities 101*. U.S. Army Corps of Engineers.

<http://corpslakes.usace.army.mil/partners/pdfs/appl04/appl04-partner101.pdf>

Godfrey, Kneeland A. Partnering in Design and Construction. New York: McGraw-Hill, 1996.

Dyer, Sue. Partner Your Project. Livermore, CA: Pendulum Publishing, 1997.

## **8.0 Attachments**

023 - 1 Pre-Construction Conference/Partnering Questionnaire

023 - 2 Partnering Agenda - Sample

023 - 3 Decision Ladder

023 - 4 Revision Control Log

**Attachment 023 - 1**  
**Pre-Construction Conference/Partnering Questionnaire**

**Project Name and Contract No.:**

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**In preparation for the Pre-construction Conference and Partnering Workshop please respond to the following questions.**

**Use additional sheets as needed.**

- 1. List utility companies, railroads, municipalities and any other agencies that you feel coordination with is important:**
  - 2. Scheduling concerns:**
  - 3. Construction phasing and/or construction staging concerns:**
  - 4. Construction methodologies and/or construction procedures that you intend to use that you feel warrant up-front discussion and/or consideration:**
  - 5. Traffic control concerns:**
  - 6. QC/QA:**
  - 7. Potential CRIPs/Value Engineering:**
  - 8. Other Issues:**
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**Attachment 023 - 2**  
**Partnering Agenda – Sample**

Full Day Partnering Workshop

**AGENDA**

- 8:00 a.m. Continental Breakfast
- 8:30 a.m. Introduction – Roles and Responsibilities  
Partnering Overview Rules and Expectations  
Project Overview  
Project Objectives (may also cover vision/mission)  
Project Success Factors
- 9:30 a.m. Team Building Exercise
- 10:15 a.m. Break**
- 10:30 a.m. Risk Management: Potential Project Risks,  
Concerns and Problems
- 11:15 a.m. Address barriers to Success, Recommend  
Actions and Timeframes (work groups)
- 12:00 p.m. Lunch Served** (Groups may continue working)
- 1:00 p.m. Groups Present Findings
- 2:00 p.m. Discussions: Interrelationships of Findings and  
Recommendations
- 3:00 p.m. Dispute Resolution Process/Ladder
- 3:30 p.m. Evaluation Process: Performance Monitoring and  
Measurements
- 4:00 p.m. Next Steps
- 4:15 p.m. Partnering Agreement Signing
- 4:30 p.m. Conclude

**Attachment 023 - 3  
Decision Ladder**

**ISSUE/CHANGE ORDER REQUEST RESOLUTION LADDER\***

**Project Name:** \_\_\_\_\_

**Big and Medium Contractor**

<b>Level</b>	<b>Contractor</b>	<b>SFPUC</b>	<b>Time Goal**</b>
I.	General Foreman/Foreman	Inspector	3 working days
II.	PM/Superintendent	PCM/Asst. Senior PM (Program)/PM	30 calendar days
III.	Senior Construction Manager	Senior CM/Senior PM (Program)/PM	15 calendar days
IV.	VP or President	AGM/(Program) Director/ and CMB Bureau Manager	30 calendar days
<b>DRA or DRB***</b>			

**NOTES:**

\* This is a general guideline. Authorities defined at each level will depend on the program and project. Appropriate authority, or authorities if consensus required, will be confirmed at each level by each project by name.

\*\* Time Goal:  
 Level I: Issues defined  
 Level II: Issue identified and/or cost or time proposal is received.

\*\*\* Dispute Hearing and Finding

**Attachment 023 - 4  
Revision Control Log**

<b>Revision No.</b>	<b>Revision Date</b>	<b>What changed?</b>
Rev 1	6/7/19	<ul style="list-style-type: none"><li>• Minor format changes;</li><li>• Attachments revised;</li><li>• Revision Control Log updated.</li></ul>
Rev 0	11/14/16	Signed