

**Bateson**



**Dailey**

A JOINT VENTURE

4401 Brush Street Detroit, MI 48201 313-832-2500 Fax 313-832-6613

April 23, 1992

Mr. Ralph J. Stephenson, P.E.  
Consulting Engineer  
323 Hiawatha Drive  
Mt. Pleasant, MI 48858

RE: Replacement Hospital  
V.A. Medical Center  
Detroit, Michigan  
Contract # V101CC-0052  
Project #553-080

SUBJ: Detroit VAMC  
Partnering Charter

Dear Ralph:

I have enclosed a copy of the signed Partnering Charter for the Detroit V.A.M.C. for your records.

I extend my personal thanks to you as well as the Partnering Team for a job well done. We were all impressed with the efficiency, knowledge, and expertise exhibited in conducting this meeting. We could not have done it without you.

Thanks again and keep up the good work.

Sincerely,

Don K. Smith  
Project Director

/aw



## Partnering Charter

### Mission statement

- We the undersigned recognize that we all have common objectives. We therefore agree to strive together to construct the Detroit YAMC safely, on time and within budget to the highest quality standards commensurate with its mission of serving veterans and the community.
- To achieve our mission we believe in the following principles
  - Commitment
  - Mutual trust
  - Integrity
  - Personal pride

### Charter objectives

01. Maintain open lines of communications
  - a. Recognize the need for quality information
  - b. Minimize submittal and response times in all matters
02. Keep paper and administrative work to a minimum
03. Develop and implement an alternative conflict resolution system
  - a. Prompt resolution of conflicts at lowest possible level
  - b. Eliminate need for Contracting Officer decisions



Partnering Charter

- c. Fair interpretation of ambiguities
- d. Be proactive (not reactive) in problem solving
- e. Maintain objective attitude toward constructability and practicality
- f. Accept responsibility for your actions or inactions
- g. Have empathy in all matters
- h. Clearly describe changes to contract work
- 04. Limit cost growth
  - a. Develop cost effective measures
- 05. Maintain clean, efficient, secure work site
  - a. No lost time due to accidents
  - b. Properly staff project
  - c. Be a good neighbor
- 06. Seek to maintain good job morale and attitudes
  - a. Promotion of partnering attitudes at all levels of contract administration
  - b. Have fun
  - c. Have pride in your product
- 07. Commit to quality control in all project related matters
  - a. Do it right the first time
  - b. Maintain proper work sequence
  - c. Meet design intent
  - d. Recognize owner's needs in occupation and operation of the facility
- 08. Close out job in proper and timely manner
- 09. Maintain and implement a partnering evaluation system

*John Hillard*  
*Tom Smith*  
*John Ryline*  
*Michael Brennan*  
*James Steyer*  
*John Anderson*  
*Michael...*  
*John Swarth*  
*John R. Mitchell*

*Michael...*  
*David...*  
 Thu, Apr 16, 1992  
*Paul E....*  
*Earl...*

*Angelo Colasanto*  
*David S. Ryepka*  
*Wm. B. Will*  
*B. Beam*

*William...*  
*Page 2*  
*Jan...*  
*...*

**Ralph J. Stephenson P.E. P.C.**

Consulting Engineer

323 Hiawatha Drive

Mt. Pleasant, Michigan 48858 ph 517 772 2537

May 13, 1992

Mr. Don K. Smith  
Project Director  
Bateson Dailey, A Joint Venture  
4401 Brush Street  
Detroit, Michigan 48201

Dear Mr. Smith:

Thank you for your letter of April 23, 1992 on the Partnering Charter meeting. It was appreciated.

Enclosed is a full set of my reference notes for the Partnering Charter assignment. Most of the material is somewhat at random, particularly in the sub topic discussions. However there is an order to the main topic headings.

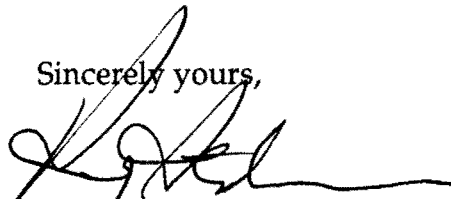
The notes for the Charter meeting preparatory work are on pages 1 to 5, the Charter meeting notes are on pages 5 to 14, and a transcription of the transparencies and flip charts is on pages 14 to 16. They may be of help to you in reviewing the back up reasoning and development thoughts leading to the Charter preparation.

The partnering session was a strenuous exercise. It was also, in my opinion, a very healthy meeting of many minds. I believe the content and the discussions, if used positively, will pave the way for good job relations.

Naturally, I am very interested in the results, particularly regarding issue resolution methods the project team adopts. Please keep me informed as your time permits.

Thank you for the opportunity to work with you and the many others on this important activity. If I can be of further help please call.

Sincerely yours,



Ralph J. Stephenson, P. E.

Bateson/Dailey - VA Hospital notes - d309

*By Ralph J. Stephenson, P. E.* . . . . . 1

*6:04:15 PM - Tuesday, April 14, 1992 - Preparatory work for meeting* . . . . . 1

    01. *Tuesday, April 14, 1992* . . . . . 1

    02. *To be added to as work proceeds.* . . . . . 1

    03. *Reference documents* . . . . . 1

    04. *Abbreviations* . . . . . 1

    05. *Those involved* . . . . . 1

    06. *tems of interest* . . . . . 2

    07. *Possible agenda items at random for Charter meeting* . . . . . 3

    08. *Partnering Charter Workshop reference notes* . . . . . 3

*9:31:23 AM - Thursday, April 16, 1992* . . . . . 5

    01. *Thursday, April 16, 1992* . . . . . 5

    02. *Meeting at Radisson Hotel - Southfield, Michigan* . . . . . 5

    03. *Those attending - clock wise around table* . . . . . 5

    04. *Meeting notes* . . . . . 6

    05. *To do items* . . . . . 14

*2:28:50 PM - Tuesday, May 12, 1992* . . . . . 14

*Flip chart & transparency notes taken from April 16, 1992 chartering conference* . . . . . 14

By Ralph J. Stephenson, P. E.

6:04:15 PM - Tuesday, April 14, 1992 - Preparatory work for meeting

01. Tuesday, April 14, 1992

02. To be added to as work proceeds

03. Reference documents

Letter from dsm to rjs - April 13, 1992

Letter from dsm to jhe - March 4, 1992

04. Abbreviations

aco - Angelo Colasanti - cco President

bbe - Bud Bedingfield - bdj Assistant Project Manager

bco - Bob Cox - jwp President

bdj - Bateson/Dailey, J. V. (General Contractor)

bsa - Bill Saunders - ost Vice President of Sales

cco - Colasanti Corporation (Concrete forming, placing & finishing)

coe - Corps of Engineers

dmc - Dan McGuire - President - Dumas/McGuire (Sub for steel erection)

drz - Dave Rzepcka - Project Superintendent BDJ

dsm - Don K. Smith - Bateson/Dailey - Project Director

dum - Dumas/McGuire (Sub for steel erection)

eri - Earl Riske - Vice President Operations - Triangle Electric

est - Earl Stevens - f&m Project Manager

f&m - Fischbach & Moore, Inc. (Electrical Subcontractor)

fha - Fred Handley - Smith Hinchman & Grylls - Site Representative

gbe - Gary Beaman - bdj Assistant Project Manager

jhe - J. L. Herndon, Executive Vice President (Bateson)

jho - John Holland - vaf Senior Resident Engineer - on site

jpa - John Paglione - vam Health Systems Specialist

jsi - Jim Simonson - ost Project Manager

jst - Jim Stephens - vam Hospital Director

jwp - JWP Mechanical Services (Mechanical Subcontractor)

lsa - Lee Spampinato - jwp Senior Vice President

mbr - Mike Brennen - Smith Hinchman & Grylls - Project Manager

mde - Mike Daniels - cco Project Manager

mol - Mike Olsen - vam Chief of Acquisition

ost - Owen Steel (Structural Steel Subcontractor)

rjs - Ralph J. Stephenson, P. E. - Consultant

rmi - Robert Mitchell

rsw - Roger Swarthout, Vice President Field Operations (Dailey)

shg - Smith Hinchman & Grylls

ssl - Stan Slemmer - vaf Resident Engineer - on site

tel - Triangle Electric

tki - Tim King - jwp Contract Manager (On site)

vaf - Veteran's Administration - Office of Facilities (construction)

vam - Veteran's Administration - Medical Center

vja - Vince Jabbia - bdj Assistant Project Manager

wwc - William Webb - vaf Project Manager - Washington D. C. office

05. Those involved

Bateson/Dailey, J. V. (General Contractor)

J. L. Herndon, Executive Vice President (Bateson)

Roger Swarthout, Vice President Field Operations (Dailey)

Don K. Smith - Project Director  
Vince Jabbia - Assistant Project Manager  
Gary Beaman - Assistant Project Manager  
Bud Bedingfield - Assistant Project Manager

**Colasanti Corporation (Concrete Forming, Placing & Finishing)**

Angelo Colasanti - President  
Mike Daniels - Project Manager

**Corps of Engineers**

**Fischbach & Moore**

Earl Stevens`

**Fischbach & Moore, Inc. (Electrical Subcontractor)**

Earl Stevens - Project Manager  
Earl Riske - Vice President Operations - Triangle Electric

**JWP Mechanical Services (Mechanical Subcontractor)**

Bob Coxie - President  
Lee Spampinato - Senior Vice President  
Tim King - Contract Manager (On site)

**Owen Steel (Structural Steel Subcontractor)**

Bill Saunders - Vice President of Sales  
Jim Simonson - Project Manager  
Dan McGuire - President - Dumas/McGuire (Sub for steel erection)  
? - Administrator of Project Management

**Smith Hinchman & Grylls**

Mike Brennen - Project Manager  
Fred Handley - Site Representative

**Veteran's Administration - Medical Center**

Jim Stephens - Hospital Director  
John Paglione - Health Systems Specialist  
Mike Olsen - Chief of Acquisition

**Veteran's Administration - Office of Facilities (construction)**

Bill Webb - Project Manager - Washington D. C. office  
John Holland - Senior Resident Engineer - on site  
Stan Slemmer - Resident Engineer - on site

**06. Items of interest**

**A. Characteristics of project**

Location  
Approximate cost - \$229,337,000 (general only?)  
Project delivery system being used

**B. Organizational & operational structures**

Partnering group  
Upper management  
Welcome to attend any partnering meeting  
Executive meetings to be held quarterly  
Sponsor assignment will be rotated - in order  
dsm - Don K. Smith - Bateson/Dailey - Project Director  
jho - John Holland  
mbr - Mike Brennan  
jpa - John Paglione  
Evaluation and progress meetings  
To be held every 6 weeks

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Who is to attend? - dsm suggested possibly field staff members only  
Senior management evaluations

coe suggests these be held quarterly at site

Construction group

Upper management

Welcome to attend any partnering meeting

Design group

Owner group

**C. Questions**

What training aids were provided per point 7, page 2 of dsm ltr to jhe of 03/04/92?

**07. Possible agenda items at random for Charter meeting**

**A. Senior management evaluation meetings**

**B. Staff member evaluation and progress meetings**

**C. Responsibilities of each party**

**D. Authority of each party**

**E. Duties of each party**

**08. Partnering Charter Workshop reference notes**

**A. Purpose of meeting**

To develop and adopt the charter of the partnering team

**B. Date of meeting - Thursday, April 16, 1992**

**C. Time - 07:30 am to 04:30 pm approximately - meeting to extend to completion of work**

**D. Place - Radisson Hotel - Town Center Drive, Southfield, Michigan**

**E. Program**

Time table

07:30 to 08:00 am - Continental breakfast - Portage room - 1st floor level

08:00 to 10:00 am - Meeting - session #1

10:00 to 10:15 am - Coffee break

10:00 to 12:00 noon - Meeting - session #2

12:00 to 01:00 pm - Lunch - Nicollet room - 2nd floor level

01:00 to 03:00 pm - Meeting - session #3

03:00 to 03:15 pm - Break

03:15 to 04:00 pm - Meeting - session #4

04:00 pm - Sign charter - Meeting - session #5

Note: rsm suggests the end of the meeting be when the charter is completed and signed

Meeting details from Partnering - A Concept for Success - AGC

08:00 to 10:00 am - Session #1

Introductory discussions

agc suggested topics

Opening remarks of senior executives - why we are here

Introductions

Partnering overview

rjs suggested topics

10:15 to 11:15 am - Session #2

Exercise #1 - Barriers, Problems, Opportunities

agc suggested questions

What actions does the other group engage in that create problems for us?

What actions do we engage in that we think may create problems for them?



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What recommendations would we make to improve the situation?

Technique

The parties will break into two groups (Owner and Contractor). These questions are answered and then reported back to entire group.

rjs suggestions

Must decide on more detailed breakdown for groups

Perhaps break into owner, operator, design, prime contractor, subcontractors

11:15 to 11:45 am - Session #2 cont

Report back on exercise #1

agc suggestions

Report and discussion in entire group

rjs suggestions

11:45 to 12:00 noon - Session #2 cont

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:00 to 01:15 pm - Session #3

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:15 to 01:45 pm - Session #3 cont

Exercise #2 - Interests, Goals, Objectives

agc suggested questions

What direct and indirect interests do we have in the outcome of this project?

Given our interest, what are reasonable, achievable goals to which we can strive?

What specific, measurable objectives can we identify that move us toward our goals?

Technique

Again, the parties separate into owner and contractor groups.

When results are reported back to the entire group, common objectives emerge. From these, a specific list of charter objectives are developed along with mission statement.

rjs suggestions

01:45 to 02:15 pm - Session #3 cont

Report back on exercise #2

agc suggestions

Report, discussion, identification of common goals and objectives

rjs suggestions

02:15 to 03:00 pm - Session #3 cont

Exercise #3 - Issue resolution and team evaluation

agc suggested questions

What should our issue resolution policy require?

How should the issue resolution process work?

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What are the roles and responsibilities for all levels of the partnership in issue resolution?  
How can we evaluate the progress of the partnership in achieving our goals and objectives?  
Who initiates the evaluation, who has input to the evaluation, and who sees the evaluation?  
What actions should the evaluation trigger?  
Should the evaluation process include followup workshops?  
If so, when and who is responsible?  
Who should attend?

Technique

This exercise may be conducted in one large group discussion. Specific follow up tasks may be assigned to ensure closure on procedures and evaluation forms.

rjs suggestions

03:15 to 04:00 pm - Session #4

Report discussions, agree on process and format

agc suggestions

rjs suggestions

04:00 to 04:30 pm - Session #5

Sign charter

9:31:23 AM - Thursday, April 16, 1992

01. Thursday, April 16, 1992

02. Meeting at Radisson Hotel - Southfield, Michigan

03. Those attending - clock wise around table

Bill Webb - VAF - Project Manager - Washington D. C. office

Dave Rzpecka - BDJ - Superintendent

Mike Brennen - SHG - Project Manager

Gary Beaman - BDJ - Assistant Project Manager

J. L. Herndon - Executive Vice President - Bateson

Don K. Smith - BDJ - Project Director

John Holland - VAF - Senior Resident Engineer - on site

John Paglione - VAF - Health Systems Specialist

Jim Stephens - VA Hospital Director

Mike Olsen - VAF - Chief of Acquisition

Bob Mitchell

Tim King - JWP - Contract Manager (On site)

Bob Coxe - JWP - President

Lee Spampinato - JWP - Senior Vice President

Mike Daniels - CCO - Project Manager

BSA - Dailey observer

DBR - Dailey observer

CCA - Dailey observer

Angelo Colasanti - CCO - President

Roger Swarthout, Vice President Field Operations (Dailey)

Fred Handley - SHG - Site Representative

Dan McGuire - DUM - President

Bud Bedingfield - BDJ - Assistant Project Manager

Vince Jabbia - BDJ - Assistant Project Manager

Earl Stevens - F&M - Project Manager

Stan Slemmer - VAF - Resident Engineer - on site  
Earl Riske - TEL - Vice President Operations  
Junius Dumas - DUM - Principal  
Jim Simonson - OST - Project Manager  
Bill Saunders - OST - Vice President of Sales  
Ralph J. Stephenson - RJS - Consultant & chairman of chartering meeting

**04. Meeting notes**

These notes are to supplement notes taken by each participant for their use and reference. Thus the notes below are only key point elements with elaboration as could be reasonably be recorded at the time.

Some of the material has been derived from the flip charts and transparency material under the heading "Flip chart & transparency notes" below.

**A. Introductions**

07:50 am - Don Smith  
Introduced those attending  
Stressed importance of the partnership  
07:58 am - J. L. Herndon  
Reviewed history of efforts to dates  
No contract requirement for partnering  
All owner and joint venture group in favor of partnering  
Resolve problems early  
What are areas of prime concern?  
08:05 am - Jim Stephens  
Partnering is an attitude  
Management is included  
We are all in this together  
08:09 am - Mike Brennen  
SHG committed to process of partnering  
Joe Euicker, VP attending shg retreat  
Wants team effort  
08:11 am - John Paglione  
VA is committed to partnering  
08:13 am - Roger Swarthout  
Partnering not new  
Methodology is new  
Dates back to Ralph Dailey with their company

**B. 08:13 am to 10:30 am - Meeting & small group discussions - Session #1 - chaired by rjs**

Definition of partnering  
Purpose of meeting  
Timetable  
Exercise #1  
Group decided to break into 4 sub groups  
Miscellaneous  
Bob Mitchell - ?  
BSA - Dailey observer  
DBR - Dailey observer  
CCA - Dailey observer  
Ralph J. Stephenson - Chairman of meeting  
Joint Venture

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J. L. Herndon, Executive Vice President (Bateson)  
Don K. Smith - Project Director  
Dave Rzpecka ? - BDJ  
Gary Beaman - Assistant Project Manager  
Roger Swarouth, Vice President Field Operations (Dailey)  
Bud Bedingfield - Assistant Project Manager  
Vince Jabbia - Assistant Project Manager

Sub Contractor

Bob Coxe - President  
Lee Spampinato - Senior Vice President  
Tim King - Contract Manager (On site)  
Mike Daniels - Project Manager  
Angelo Colasanti - President  
Dan McGuire - President - Dumas/McGuire (Sub for steel erection)  
Earl Stevens - Project Manager  
Earl Riske - Vice President Operations - Triangle Electric  
Junius Dumas  
Jim Simonson - Project Manager  
Bill Saunders - Vice President of Sales

Design

Mike Brennen - Project Manager  
Fred Handley - Site Representative

Owner/User

Jim Stephens - Hospital Director  
Bill Webb - Project Manager - Washington D. C. office  
John Holland - Senior Resident Engineer - on site  
John Paglione - Health Systems Specialist  
Mike Olsen - Chief of Acquisition  
Stan Slemmer - Resident Engineer - on site

Assemble at 10:30 am

**C. 10:30 to 11:45 am - Meeting - Session #2 - chaired by rjs**

Points made during meetings - might be duplicated in flip chart work

Problems

Incomplete submittals and transmittals  
Delays in identifying long lead material suppliers due to ?  
Failure to exercise proper quality control  
Request for rush reviews & approvals due to timing pressures  
Being left out of loop on problem solving

Actions engaged in

Design errors or omissions that result in changes  
Resistance to solving problems that designer perceive as contractor problems  
Delaying shop dwgs or responses due to zeal for perfection or administrative processing  
Changes issued in descriptive or sketch form

Recommendations

Contractor review or verify submittals before submission  
Provide suggested solutions on rfi's  
Contractor provide submittal schedule  
Contractor provide prioritization of submittals  
Have questions stated clearly and thoroughly

Contractor provide list of subcontractors and major equipment/material suppliers

Example - brick masonry

Several months of brick selection ahead

Need to know supplier

A/E react immediately to questions and problems to be resolved

Communication back to A/E on outstanding issues

Left out of loop on problem solving

Points - subcontractor

2

Timely submittals

Passing along info to field

Same list as from design team

3

Summed up in point #10 of sub list

Discussion 11:25 - 11:45

Owner/user group

Points seem to be good

Mission

I \_\_\_\_ was responsible for this project and the services it is going to provide

I \_\_\_\_ want to be proud of that project

To make a profit

Construct a high quality usable facility in a timely, safe & cost effective manner without lawyers

& have a good time doing it

General notes

gbe

Personal incentives - how to reward

Seeking out excellence

How to reconciled individual incentives to doing the job

misc

need open line of communication

how to be more open

Must try to resolve problems together

Those who have problems share them with others

Can the group work out solutions to maintain the open communication

Open and honest communication

Recognizing the communality of the problems

Using synergy to solve the problems

Are already focussing oin the synergy of problems

Now we need to focus on the synergy of solutions

Making certain we oversee the project to insure we get the project we want.

**D. 11:45 am to 12:00 noon & 01:00 pm to 02:15 pm - chaired by rjs**

Charter objectives and mission statement

Charter objectives - preliminary & original

01. Have an open line of communication

02. Develop cost saving measures

03. Prompt resolution of conflicts at lowest possible level

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04. Minimize paper work
05. Minimize submittal and response times in all matters
06. Objective attitude toward constructability
07. Promotion of partnering attitudes at all levels of contract administration
08. No lost time due to accidents
09. Have fun
10. Meet design intent
11. Recognize value of information
12. Pride in product
13. Maintain clean, efficient, secure work site
14. Eliminate need for contracting officer decisions
15. Fair interpretation of ambiguities
16. Limit cost growth
17. Empathy in all matters
18. Use proactive (not reactive) approach to problem solving
19. Accept responsibility for your actions or inactions
20. Properly staff project
21. Maintain proper work sequence
22. Prompt job close out
23. Clearly describe contract changes
24. Do it right the first time
25. Be a good neighbor

Charter objectives - suggested grouping

Maintain open line of communications

Have an open line of communication

Recognize value of information

Minimize submittal and response times in all matters

Keep paper and administrative work to a minimum

Develop and implement alternative conflict resolution system

Prompt resolution of conflicts at lowest possible level

Eliminate need for contracting office decisions

Fair interpretation of ambiguities

Be proactive (not reactive) in problem solving

Objective attitude toward constructability

Accept responsibility for your actions or inactions

Have empathy in all matters

Clearly describe changes to contract work

Limit cost growth

Develop cost saving measures

Maintain clean, efficient, secure work site

No lost time due to accidents

Properly staff project

Be a good neighbor

Seek to maintain good job morale and attitudes

Promotion of partnering attitudes at all levels of contract administration

Have fun

Pride in product

Commit to quality control in all project related matters

Do it right the first time

Maintain proper work sequence

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Meet design intent

Close out job in proper and timely manner

Maintain and implement a performance evaluation system

Mission statements - Thursday, April 16, 1992 - VA Hospital

These statements were prepared by each participant desiring to provide their idea of how the mission statement should read. These statements were provided to the group and were used to develop a Charter mission statement.

01

To work as a team and produce a quality project through a program of trust, integrity and cooperation.

02

To work together in a team atmosphere, communicate openly, and cooperate fully in the construction of a high grade quality building that we can be proud of upon its timely completion.

03

Completion of a quality facility with appropriate benefits to all participants without legal disputes and in a manner that is enjoyable to all.

04

To insure that our goals and objectives are totally met, within the framework and intent of the contract documents, in a comfortable, safe, and conflict free environment.

05

We as a team seek to create a quality product, maintaining both sensitivity and integrity of design, a facility constructed in a cooperative spirit, on schedule, resulting in an equitable/pleasant experience for all.

06

Work together in an enjoyable manner to produce a project where each partner would be proud to accept personal responsibility for quality, cost, time for completion and functionality.

07

Cooperate through communication and timely performance to create a quality product within the allotted time and within budget.

08

Safely deliver a quality product in sequence, on time and under budget.

09

Having an open line of communication in an effort to construct the project on time, within budget, safely and without adversarial relationships.

10

Acting as a "team", complete construction and activation on time with quality, recognizing each player's need for reasonable profit.

11

Work together to produce a high quality project in a win/win partnership.

12

Recognizing our common objectives we agree to strive together to construct on time and within budget the VAMC, Detroit project to the

- highest quality standards commensurate with its mission of serving veterans and the community.
- 13 Produce the quality facility on time, within budget, without accidents, without litigation and have fun doing it.
- 14 To agree on practical goals and objectives that will be acted on throughout the project - no matter how few, rather than glowing, flowery platitudes that will never be realized.
- 15 Complete this project in a manner we can all be proud of with respect to everyone's expectation in a spirit of cooperation.
- 16 We commit to produce the construction of VAMC, Detroit on time, within budget recognizing the realistic goals of all participants in a way each one of us and our organizations, can take pride in.
- 17 To ultimately provide a state of the art health care facility for veterans in a manner such that the construction is completed safely, on time, within budget and without major disputes or litigation, and meets the goals of the participants.
- 18 To produce a quality job on time and within budget and enjoy doing it.
- 19 The mission is - through cooperation, communication and understanding build and activate a medical facility that results in pride and satisfaction for all involved parties.
- 20 To work together as a team to produce a high quality, functionally complete medical facility, on time as designed.
- 21 Construct a quality building on time, within budget, with safe working conditions and no claims.
- 22 To work together as partners to complete this high profile on time, as designed and at a mutually agreed price.
- 23 Produce a project of the highest quality obtainable within the specified time frame and cost, while having fun accomplishing our goal.
- 24 Construct a high quality - usable facility in a timely, safe and cost effective manner. All the while enjoying the process.
- 25 Construct a quality, profitable, cost effective and safe project on schedule with minimum conflict or impact on other members of the construction team.



26

We seek to produce a quality, on time project, with open communications, cost savings, pride and at a fair profit.

Mission statement - preliminary - prepared by task force for submission to total group

- Recognizing our common objectives we agree to strive together to safely construct on time and within budget the VAMC Detroit project to the highest quality standards commensurate with its mission of serving veterans and the community.

- To achieve our mission we believe in the following principles

- Commitment,
- Mutual trust
- Integrity
- Personal pride."

Issue resolution - random discussion points

Methods of resolving or avoiding contested disputes

Litigation - bench or jury trials

Arbitration - AAA or other

Mediation - formal or informal

Alternative dispute resolution board - has promise

Administrative settlement - generally the best of all methods

At origin level

Within project staff

What is the channel of issue resolution?

To be discussed and decided on by a Charter task force

Change orders - suggested 21 day action limit as guideline

Documentation - of what type and to what level?

Settle job disputes at job site & at originating level whenever possible

E. 02:15 pm to 05:00 pm - chaired by rjs

Charter draft #1

Mission statement

- Recognizing our common objectives we agree to strive together to safely construct on time and within budget the VAMC Detroit project to the highest quality standards commensurate with its mission of serving veterans and the community.

- To achieve our mission we believe in the following principles

- Commitment,
- Mutual trust
- Integrity
- Personal pride.

Charter objectives

Maintain open line of communication

Keep paper and administrative work to a minimum

Develop and implement alternative conflict resolution system

Limit cost growth

Maintain clean, efficient, secure work site

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Seek to maintain good job morale and attitudes  
Commit to quality control in all project related matters  
Close out job in proper and timely manner  
Maintain and implement a partnering evaluation system

Signed document

Charter final draft

Mission statement

• We the undersigned recognize that we all have common objectives. We therefore agree to strive together to construct the Detroit VAMC safely, on time and within budget to the highest quality standards commensurate with its mission of serving veterans and the community.

• To achieve our mission we believe in the following principles

- Commitment
- Mutual trust
- Integrity
- Personal pride

Charter objectives

01. Maintain open lines of communications
  - a. Recognize the need for quality information
  - b. Minimize submittal and response times in all matters
02. Keep paper and administrative work to a minimum
03. Develop and implement an alternative conflict resolution system
  - a. Prompt resolution of conflicts at lowest possible level
  - b. Eliminate need for Contracting Officer decisions
  - c. Fair interpretation of ambiguities
  - d. Be proactive (not reactive) in problem solving
  - e. Maintain objective attitude toward constructability and practicality
  - f. Accept responsibility for your actions or inactions
  - g. Have empathy in all matters
  - h. Clearly describe changes to contract work
04. Limit cost growth
  - a. Develop cost effective measures
05. Maintain clean, efficient, secure work site
  - a. No lost time due to accidents
  - b. Properly staff project
  - c. Be a good neighbor
06. Seek to maintain good job morale and attitudes
  - a. Promotion of partnering attitudes at all levels of contract administration
  - b. Have fun

- c. Have pride in your product
- 07. Commit to quality control in all project related matters
  - a. Do it right the first time
  - b. Maintain proper work sequence
  - c. Meet design intent
  - d. Recognize owner's needs in occupation and operation of the facility
- 08. Close out job in proper and timely manner
- 09. Maintain and implement a partnering evaluation system

**05. To do items**

**A. Transcribe all flip charts and transparencies into meeting notes**

2:28:50 PM - Tuesday, May 12, 1992

***Flip chart & transparency notes taken from April 16, 1992 chartering conference***

The notes transcribed below are in the main unedited. Only obvious errors of grammar or punctuation have been corrected.

**What actions does (do) the other group (groups) engage in that create problems for us?**

This question extends to the actions of other groups including owner, architect/engineer, joint venture, prime contractors, and sub contractors.

*Answers from the sub contractor group*

Actions of owners, generals, or others that cause problems

- 01. Direction to proceed w/o timely change order (owner)  
Signed time sheets, etc.
- 02. Establish clear chain of command (gc, owner)
- 03. Changes - clarifications excessive (owner - design)
- 04. Excessive testing & inspection in a timely manner
- 05. Timely decision making  
RFI's  
C.O.'s
- 06. Billing breakdowns
- 07. Contingency fund for gaps or omissions in the specs & dwgs  
Fair or joint resolution of errors, omissions
- 08. GC covering general conditions costs by charging subs.
- 09. General conditions pass excessive responsibility to contractors
- 10. Timely acceptance of work
- 11. Timely response on value engineering submittals
- 12. G. C.'s pass coordination efforts on to subcontractors
- 13. More flexibility in resolving conflict issues  
Timely meetings - weekly, monthly as reqd  
Joint resolution board

Actions of general contractor (joint venture) (?) that cause problems

- 01. Published chain of command
- 02. Timely response:
  - a. RFI
  - b. Approval shop dwgs.
  - c. Site activity restrictions
  - d. Change orders
  - e. Value engrg.
  - f. Acceptance of work
- 03. Fair and/or joint interpretation of ambiguous documents
- 04. Fair evaluation of schedule extns.
- 05. Contingency fund for ambiguous plans & specs.

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06. No directive to proceed w/o time limit or C. O.
07. Billing breakdown to prevent subs financing
08. Improper passing of General Conditions responsibility to subs
09. Improper and excessive testing and inspection
10. Periodic forum to evaluate and resolve open issues.

*Answers from the joint venture, general contractor group*

Actions of the owner & a/e that cause problems

01. Slow submittal turn around
02. Failure to accept responsibility for errors/omissions
03. Inadequate no. of staff members
04. GFE information provided late
05. GFE installation not done timely
06. Slow resolution of change orders
07. Unreasonable punch lists
08. Scope of changes incomplete/unclear
09. Communication not free and open.
10. Failure to recognize impact of changes on ongoing work

Actions of the general contractor that cause problems

01. Incomplete submittal information
02. Late submission of proposals
03. Deviations submitted that require additional review time
04. Excessive no. of RFI's submitted
05. Untimely solutions and correction to errors we make and acceptance of responsibility of same
06. Untimely submission of as-builts, O & M manuals, and training of user personnel
07. Failure to keep proper sequence of work flow
08. Failure to maintain free open communications w/ owner & a-e & subs
07. Failure to maintain clean efficient, safe working conditions

Actions of the sub contractors that cause problems

01. making complete submittals
02. timely submission of proposals - completeness, proper scope
03. do your own punchlists
04. pre-test special systems - equip. start-up
05. input on schedules - being realistic - being ready for inspection & start-up
06. untimely proposing a solution to a problem
07. nick-picking of changes
08. o & m training & manuals - not timely
09. leaving messy work areas - not sweeping floors ("Electricians don't sweep floors)
10. Need open line of communication - keeping general informed.
11. Submitting inflated proposals & negot. realistic dollars.
12. Do their part in Safety - (replace barricades, clean work areas, break areas, etc.)
13. Limit sub-contractor Alternate suggestions.  
There is a high potential for gaps & extra work that might be unknown at the time of Alternate proposal

*Answers from the owner/user and the a/e group together*

Actions of the owner & a/e (us) that cause problems

01. Untimely delivery of VC information and equipment

02. Slow payment
03. Design errors and omissions
04. Resistance to solving problems perceived as "contractor problems"
05. Delay in response of RFI's & submittals
  - a.) due to "zeal for perfection"
  - b.) due to administrative delay
06. Changes issued in incomplete form (sketches & narrative)
07. Slow VACO response to concurrent reviews & changes
08. Too many changes
09. Inappropriate interruptions
10. Inability to make decisions

Actions of the contractor & sub contractors (others) that cause problems

01. Duplication of RFI's from subcontractors
02. "Pass through" Attitude by G.C. ie submittals, RFI's, resubmissions
03. Slow "punch list" and deficiency correction
04. Recognition of "punch list" item vs. "non-acceptance" item
05. Complete "pre-tested" systems
06. Timely submittals
07. Early notification of problems and schedule changes which affect user/owner
08. Prompt implementation/dissemination of "change/modification" information
09. Weak coordination of subcontractors
10. Failure to exercise proper Q.C.
11. Incomplete 'uncoordinated submittals
12. "Bid Shopping": Delay selection impacts schedule  
Delay selection impacts quality
13. Unrealistic expectations of submittal

Recommendations of owner/user (to help resolve problems)

01. Better communications
02. Less defensiveness/more openness
03. Fast dispute resolution
04. Don't take issues personally
05. Contractor review RFI's & submittals before processing
06. Be willing to propose/suggest solutions
07. Submittal schedule
08. Prioritization of submittals
09. Complete/thorough questions
10. Positive attitude
11. Recognition of Buy America Act and other "Boiler Plate" clause impact
12. Recognition of Owner's need to eventually occupy, operate and maintain facility/systems
13. Recognition of importance of "paper work"
14. Allowing necessary contract time for training

## Purpose of meeting

To develop and adopt the charter of the partnering  
team

## Timetable

- 07:30 to 08:00 am - Continental breakfast -  
Portage room - 1st floor level
- 08:00 to 10:00 am - Meeting - session #1
- 10:00 to 10:15 am - Coffee break
- 10:00 to 12:00 noon - Meeting - session #2
- 12:00 to 01:00 pm - Lunch - Nicollet room - 2nd  
floor level
- 01:00 to 03:00 pm - Meeting - session #3
- 03:00 to 03:15 pm - Break
- 03:15 to 04:00 pm - Meeting - session #4
- 04:00 pm - Sign charter - Meeting - session #5

**08:00 to 10:00 am - Session #1**

- Opening remarks of senior executives -
- Why we are here
- Introductions
- Partnering overview

**10:15 to 11:15 am - Session #2**

**Exercise #1 - Barriers, Problems, Opportunities**

- What actions does the other group engage in that create problems for us?
- What actions do we engage in that we think may create problems for them?
- What recommendations would we make to improve the situation?

**11:15 to 11:45 am - Session #2 cont**

- Report back on exercise #1

**11:45 to 12:00 noon - Session #2 cont**

- Develop mission statement

**01:00 to 01:15 pm - Session #3**

- **Develop mission statement**

**01:15 to 01:45 pm - Session #3 cont**

**Exercise #2 - Interests, Goals, Objectives**

- **What direct and indirect interests do we have in the outcome of this project?**
- **Given our interest, what are reasonable, achievable goals to which we can strive?**
- **What specific, measurable objectives can we identify that move us toward our goals?**

**01:45 to 02:15 pm - Session #3 cont**

- **Report, discussion, identification of common goals and objectives**

**02:15 to 03:00 pm - Session #3 cont**

**Exercise #3 - Issue resolution and team evaluation**

- **What should our issue resolution policy require?**
- **How should the issue resolution process work?**



- What are the roles and responsibilities for all levels of the partnership in issue resolution?
- How can we evaluate the progress of the partnership in achieving our goals and objectives?
- Who initiates the evaluation, who has input to the evaluation, and who sees the evaluation?
- What actions should the evaluation trigger?
- Should the evaluation process include followup workshops?
- If so, when and who is responsible?
- Who should attend?

Specific follow up tasks may be assigned to ensure closure on procedures and evaluation forms.

03:15 to 04:00 pm - Session #4

- Report discussions, agree on process and format

04:00 to 04:30 pm - Session #5

- Sign charter

## **Mission**

**What is the most  
important result to be  
achieved by this  
partnering conference  
being successfully  
completed?**

## **Goals**

The unquantified desires of an organization or individual expressed without time or other resources assigned.

## **Objectives**

Quantified targets derived from established goals .  
The most commonly used resources in converting goals to objectives are:

- money
- time
- human abilities
- human actions
- equipment
- space.

Those attending - clock wise around table

**Bill Webb - Project Manager - Washington D. C. office**  
**Dave Rzpecka ? - BDJ**  
**Mike Brennen - Project Manager**  
**Gary Beaman - Assistant Project Manager**  
**J. L. Herndon, Executive Vice President (Bateson)**  
**Don K. Smith - Project Director**  
**John Holland - Senior Resident Engineer - on site**  
**John Paglione - Health Systems Specialist**  
**Jim Stephens - Hospital Director**  
**Mike Olsen - Chief of Acquisition**  
**Bob Mitchell -**  
**Tim King - Contract Manager (On site)**  
**Bob Coxe - President**  
**Lee Spampinato - Senior Vice President**  
**Mike Daniels - Project Manager**  
**BSA - Dailey observer**  
**DBR - Dailey observer**  
**CCA - Dailey observer**  
**Angelo Colasanti - President**  
**Roger Swarthout, Vice President Field Operations (Dailey)**  
**Fred Handley - Site Representative**  
**Dan McGuire - President - Dumas/McGuire (Sub for steel erection)**  
**Bud Bedingfield - Assistant Project Manager**  
**Vince Jabbia - Assistant Project Manager**  
**Earl Stevens - Project Manager**  
**Stan Slemmer - Resident Engineer - on site**  
**Earl Riske - Vice President Operations - Triangle Electric**  
**Junius Dumas**  
**Jim Simonson - Project Manager**  
**Bill Saunders - Vice President of Sales**  
**Ralph J. Stephenson - Chairman of meeting**

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By Ralph J. Stephenson, P. E. . . . . 1

6:04:15 PM - Tuesday, April 14, 1992 - Preparatory work for meeting . . . . . 1

    01. Tuesday, April 14, 1992 . . . . . 1

    02. To be added to as work proceeds . . . . . 1

    03. Reference documents . . . . . 1

    04. Abbreviations . . . . . 1

    05. Those involved . . . . . 1

    06. Items of interest . . . . . 2

    07. Possible agenda items at random for Charter meeting . . . . . 3

    08. Partnering Charter Workshop reference notes . . . . . 3

9:31:23 AM - Thursday, April 16, 1992 . . . . . 5

    01. Thursday, April 16, 1992 . . . . . 5

    02. Meeting at Radisson Hotel - Southfield, Michigan . . . . . 5

    03. Those attending - clock wise around table . . . . . 5

    04. Meeting notes . . . . . 6

    05. To do items . . . . . 14

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    Flip chart & transparency notes taken from April 16, 1992 chartering conference . . . . . 14

By **Ralph J. Stephenson, P. E.**

6:04:15 PM - Tuesday, April 14, 1992 - Preparatory work for meeting

01. Tuesday, April 14, 1992

02. To be added to as work proceeds

03. Reference documents

Letter from dsm to rjs - April 13, 1992

Letter from dsm to jhe - March 4, 1992

04. Abbreviations

aco - Angelo Colasanti - cco President

bbe - Bud Bedingfield - bdj Assistant Project Manager

bco - Bob Coxie - jwp President

bdj - Bateson/Dailey, J. V. (General Contractor)

bsa - Bill Saunders - ost Vice President of Sales

cco - Colasanti Corporation (Concrete forming, placing & finishing)

coe - Corps of Engineers

dmc - Dan McGuire - President - Dumas/McGuire (Sub for steel erection)

drz - Dave Rzepcka - Project Superintendent BDJ

dsm - Don K. Smith - Bateson/Dailey - Project Director

dum - Dumas/McGuire (Sub for steel erection)

eri - Earl Riske - Vice President Operations - Triangle Electric

est - Earl Stevens - f&m Project Manager

f&m - Fischbach & Moore, Inc. (Electrical Subcontractor)

fha - Fred Handley - Smith Hinchman & Grylls - Site Representative

gbe - Gary Beaman - bdj Assistant Project Manager

jhe - J. L. Herndon, Executive Vice President (Bateson)

jho - John Holland - vaf Senior Resident Engineer - on site

jpa - John Paglione - vam Health Systems Specialist

jsi - Jim Simonson - ost Project Manager

jst - Jim Stephens - vam Hospital Director

jwp - JWP Mechanical Services (Mechanical Subcontractor)

lsa - Lee Spampinato - jwp Senior Vice President

mbr - Mike Brennen - Smith Hinchman & Grylls - Project Manager

mde - Mike Daniels - cco Project Manager

mol - Mike Olsen - vam Chief of Acquisition

ost - Owen Steel (Structural Steel Subcontractor)

rjs - Ralph J. Stephenson, P. E. - Consultant

rmi - Robert Mitchell

rsw - Roger Swarthout, Vice President Field Operations (Dailey)

shg - Smith Hinchman & Grylls

ssl - Stan Slemmer - vaf Resident Engineer - on site

tel - Triangle Electric

tki - Tim King - jwp Contract Manager (On site)

vaf - Veteran's Administration - Office of Facilities (construction)

vam - Veteran's Administration - Medical Center

vja - Vince Jabbia - bdj Assistant Project Manager

wwc - William Webb - vaf Project Manager - Washington D. C. office

05. Those involved

Bateson/Dailey, J. V. (General Contractor)

J. L. Herndon, Executive Vice President (Bateson)

Roger Swarthout, Vice President Field Operations (Dailey)

Don K. Smith - Project Director  
Vince Jabbia - Assistant Project Manager  
Gary Beaman - Assistant Project Manager  
Bud Bedingfield - Assistant Project Manager

**Colasanti Corporation (Concrete Forming, Placing & Finishing)**

Angelo Colasanti - President  
Mike Daniels - Project Manager

**Corps of Engineers**

**Fischbach & Moore**

Earl Stevens`

**Fischbach & Moore, Inc. (Electrical Subcontractor)**

Earl Stevens - Project Manager  
Earl Riske - Vice President Operations - Triangle Electric

**JWP Mechanical Services (Mechanical Subcontractor)**

Bob Coxo - President  
Lee Spampinato - Senior Vice President  
Tim King - Contract Manager (On site)

**Owen Steel (Structural Steel Subcontractor)**

Bill Saunders - Vice President of Sales  
Jim Simonson - Project Manager  
Dan McGuire - President - Dumas/McGuire (Sub for steel erection)  
? - Administrator of Project Management

**Smith Hinchman & Grylls**

Mike Brennen - Project Manager  
Fred Handley - Site Representative

**Veteran's Administration - Medical Center**

Jim Stephens - Hospital Director  
John Paglione - Health Systems Specialist  
Mike Olsen - Chief of Acquisition

**Veteran's Administration - Office of Facilities (construction)**

Bill Webb - Project Manager - Washington D. C. office  
John Holland - Senior Resident Engineer - on site  
Stan Slemmer - Resident Engineer - on site

**06. items of interest**

**A. Characteristics of project**

Location  
Approximate cost - \$229,337,000 (general only?)  
Project delivery system being used

**B. Organizational & operational structures**

Partnering group  
Upper management  
Welcome to attend any partnering meeting  
Executive meetings to be held quarterly  
Sponsor assignment will be rotated - in order  
dsm - Don K. Smith - Bateson/Dailey - Project Director  
jho - John Holland  
mbr - Mike Brennan  
jpa - John Paglione  
Evaluation and progress meetings  
To be held every 6 weeks

Who is to attend? - dsm suggested possibly field staff members only  
Senior management evaluations  
coe suggests these be held quarterly at site  
Construction group  
Upper management  
Welcome to attend any partnering meeting  
Design group  
Owner group

**C. Questions**

What training aids were provided per point 7, page 2 of dsm ltr to jhe of 03/04/92?

**07. Possible agenda items at random for Charter meeting**

- A. Senior management evaluation meetings
- B. Staff member evaluation and progress meetings
- C. Responsibilities of each party
- D. Authority of each party
- E. Duties of each party

**08. Partnering Charter Workshop reference notes**

**A. Purpose of meeting**

To develop and adopt the charter of the partnering team

**B. Date of meeting - Thursday, April 16, 1992**

**C. Time - 07:30 am to 04:30 pm approximately - meeting to extend to completion of work**

**D. Place - Radisson Hotel - Town Center Drive, Southfield, Michigan**

**E. Program**

Time table

07:30 to 08:00 am - Continental breakfast - Portage room - 1st floor level

08:00 to 10:00 am - Meeting - session #1

10:00 to 10:15 am - Coffee break

10:00 to 12:00 noon - Meeting - session #2

12:00 to 01:00 pm - Lunch - Nicollet room - 2nd floor level

01:00 to 03:00 pm - Meeting - session #3

03:00 to 03:15 pm - Break

03:15 to 04:00 pm - Meeting - session #4

04:00 pm - Sign charter - Meeting - session #5

Note: rsm suggests the end of the meeting be when the charter is completed and signed

Meeting details from Partnering - A Concept for Success - AGC

08:00 to 10:00 am - Session #1

Introductory discussions

agc suggested topics

Opening remarks of senior executives - why we are here

Introductions

Partnering overview

rjs suggested topics

10:15 to 11:15 am - Session #2

Exercise #1 - Barriers, Problems, Opportunities

agc suggested questions

What actions does the other group engage in that create problems for us?

What actions do we engage in that we think may create problems for them?



What recommendations would we make to improve the situation?

Technique

The parties will break into two groups (Owner and Contractor). These questions are answered and then reported back to entire group.

rjs suggestions

Must decide on more detailed breakdown for groups

Perhaps break into owner, operator, design, prime contractor, subcontractors

11:15 to 11:45 am - Session #2 cont

Report back on exercise #1

agc suggestions

Report and discussion in entire group

rjs suggestions

11:45 to 12:00 noon - Session #2 cont

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:00 to 01:15 pm - Session #3

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:15 to 01:45 pm - Session #3 cont

Exercise #2 - Interests, Goals, Objectives

agc suggested questions

What direct and indirect interests do we have in the outcome of this project?

Given our interest, what are reasonable, achievable goals to which we can strive?

What specific, measurable objectives can we identify that move us toward our goals?

Technique

Again, the parties separate into owner and contractor groups.

When results are reported back to the entire group, common objectives emerge. From these, a specific list of charter objectives are developed along with mission statement.

rjs suggestions

01:45 to 02:15 pm - Session #3 cont

Report back on exercise #2

agc suggestions

Report, discussion, identification of common goals and objectives

rjs suggestions

02:15 to 03:00 pm - Session #3 cont

Exercise #3 - Issue resolution and team evaluation

agc suggested questions

What should our issue resolution policy require?

How should the issue resolution process work?

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What are the roles and responsibilities for all levels of the partnership in issue resolution?

How can we evaluate the progress of the partnership in achieving our goals and objectives?

Who initiates the evaluation, who has input to the evaluation, and who sees the evaluation?

What actions should the evaluation trigger?

Should the evaluation process include followup workshops?

If so, when and who is responsible?

Who should attend?

Technique

This exercise may be conducted in one large group discussion.

Specific follow up tasks may be assigned to ensure closure on procedures and evaluation forms.

rjs suggestions

03:15 to 04:00 pm - Session #4

Report discussions, agree on process and format

agc suggestions

rjs suggestions

04:00 to 04:30 pm - Session #5

Sign charter

9:31:23 AM - Thursday, April 16, 1992

01. Thursday, April 16, 1992

02. Meeting at Radisson Hotel - Southfield, Michigan

03. Those attending - clock wise around table

Bill Webb - VAF - Project Manager - Washington D. C. office

Dave Rzepcka - BDJ - Superintendent

Mike Brennen - SHG - Project Manager

Gary Beaman - BDJ -Assistant Project Manager

J. L. Herndon - Executive Vice President - Bateson

Don K. Smith - BDJ -Project Director

John Holland - VAF - Senior Resident Engineer - on site

John Paglione - VAF - Health Systems Specialist

Jim Stephens - VA Hospital Director

Mike Olsen - VAF - Chief of Acquisition

Bob Mitchell

Tim King - JWP - Contract Manager (On site)

Bob Coxe - JWP - President

Lee Spampinato - JWP - Senior Vice President

Mike Daniels - CCO - Project Manager

BSA - Dailey observer

DBR - Dailey observer

CCA - Dailey observer

Angelo Colasanti - CCO - President

Roger Swarhout, Vice President Field Operations (Dailey)

Fred Handley - SHG - Site Representative

Dan McGuire - DUM - President

Bud Bedingfield - BDJ - Assistant Project Manager

Vince Jabbia - BDJ - Assistant Project Manager

Earl Stevens - F&M - Project Manager

Stan Slemmer - VAF - Resident Engineer - on site  
Earl Riske - TEL - Vice President Operations  
Junius Dumas - DUM - Principal  
Jim Simonson - OST - Project Manager  
Bill Saunders - OST - Vice President of Sales  
Ralph J. Stephenson - RJS - Consultant & chairman of chartering meeting

**04. Meeting notes**

These notes are to supplement notes taken by each participant for their use and reference. Thus the notes below are only key point elements with elaboration as could be reasonably be recorded at the time.

Some of the material has been derived from the flip charts and transparency material under the heading "Flip chart & transparency notes" below.

**A. Introductions**

07:50 am - Don Smith

Introduced those attending  
Stressed importance of the partnership

07:58 am - J. L. Herndon

Reviewed history of efforts to dates  
No contract requirement for partnering  
All owner and joint venture group in favor of partnering  
Resolve problems early  
What are areas of prime concern?

08:05 am - Jim Stephens

Partnering is an attitude  
Management is included  
We are all in this together

08:09 am - Mike Brennen

SHG committed to process of partnering  
Joe Euicker, VP attending shg retreat  
Wants team effort

08:11 am - John Paglione

VA is committed to partnering

08:13 am - Roger Swarthout

Partnering not new  
Methodology is new  
Dates back to Ralph Dailey with their company

**B. 08:13 am to 10:30 am - Meeting & small group discussions - Session #1 - chaired by rjs**

Definition of partnering

Purpose of meeting

Timetable

Exercise #1

Group decided to break into 4 sub groups

Miscellaneous

Bob Mitchell - ?

BSA - Dailey observer

DBR - Dailey observer

CCA - Dailey observer

Ralph J. Stephenson - Chairman of meeting

Joint Venture

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J. L. Herndon, Executive Vice President (Bateson)  
Don K. Smith - Project Director  
Dave Rzpecka ? - BDJ  
Gary Beaman - Assistant Project Manager  
Roger Swarhout, Vice President Field Operations (Dailey)  
Bud Bedingfield - Assistant Project Manager  
Vince Jabbia - Assistant Project Manager

Sub Contractor

Bob Coxe - President  
Lee Spampinato - Senior Vice President  
Tim King - Contract Manager (On site)  
Mike Daniels - Project Manager  
Angelo Colasanti - President  
Dan McGuire - President - Dumas/McGuire (Sub for steel erection)  
Earl Stevens - Project Manager  
Earl Riske - Vice President Operations - Triangle Electric  
Junius Dumas  
Jim Simonson - Project Manager  
Bill Saunders - Vice President of Sales

Design

Mike Brennen - Project Manager  
Fred Handley - Site Representative

Owner/User

Jim Stephens - Hospital Director  
Bill Webb - Project Manager - Washington D. C. office  
John Holland - Senior Resident Engineer - on site  
John Paglione - Health Systems Specialist  
Mike Olsen - Chief of Acquisition  
Stan Slemmer - Resident Engineer - on site

Assemble at 10:30 am

**C. 10:30 to 11:45 am - Meeting - Session #2 - chaired by rjs**

Points made during meetings - might be duplicated in flip chart work

Problems

Incomplete submittals and transmittals  
Delays in identifying long lead material suppliers due to ?  
Failure to exercise proper quality control  
Request for rush reviews & approvals due to timing pressures  
Being left out of loop on problem solving

Actions engaged in

Design errors or omissions that result in changes  
Resistance to solving problems that designer perceive as contractor problems  
Delaying shop dwgs or responses due to zeal for perfection or administrative processing  
Changes issued in descriptive or sketch form

Recommendations

Contractor review or verify submittals before submission  
Provide suggested solutions on rfi's  
Contractor provide submittal schedule  
Contractor provide prioritization of submittals  
Have questions stated clearly and thoroughly

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Contractor provide list of subcontractors and major equipment/material suppliers

Example - brick masonry

Several months of brick selection ahead

Need to know supplier

A/E react immediately to questions and problems to be resolved

Communication back to A/E on outstanding issues

Left out of loop on problem solving

Points - subcontractor

2

Timely submittals

Passing along info to field

Same list as from design team

3

Summed up in point #10 of sub list

Discussion 11:25 - 11:45

Owner/user group

Points seem to be good

Mission

I \_\_\_\_\_ was responsible for this project and the services it is going to provide

I \_\_\_\_\_ want to be proud of that project

To make a profit

Construct a high quality usable facility in a timely, safe & cost effective manner without lawyers

& have a good time doing it

General notes

gbe

Personal incentives - how to reward

Seeking out excellence

How to reconciled individual incentives to doing the job

misc

need open line of communication

how to be more open

Must try to resolve problems together

Those who have problems share them with others

Can the group work out solutions to maintain the open communication

Open and honest communication

Recognizing the communality of the problems

Using synergy to solve the problems

Are already focussing oin the synergy of problems

Now we need to focus on the synergy of solutions

Making certain we oversee the project to insure we get the project we want.

D. 11:45 am to 12:00 noon & 01:00 pm to 02:15 pm - chaired by rjs

Charter objectives and mission statement

Charter objectives - preliminary & original

01. Have an open line of communication

02. Develop cost saving measures

03. Prompt resolution of conflicts at lowest possible level

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04. Minimize paper work
05. Minimize submittal and response times in all matters
06. Objective attitude toward constructability
07. Promotion of partnering attitudes at all levels of contract administration
08. No lost time due to accidents
09. Have fun
10. Meet design intent
11. Recognize value of information
12. Pride in product
13. Maintain clean, efficient, secure work site
14. Eliminate need for contracting officer decisions
15. Fair interpretation of ambiguities
16. Limit cost growth
17. Empathy in all matters
18. Use proactive (not reactive) approach to problem solving
19. Accept responsibility for your actions or inactions
20. Properly staff project
21. Maintain proper work sequence
22. Prompt job close out
23. Clearly describe contract changes
24. Do it right the first time
25. Be a good neighbor

Charter objectives - suggested grouping

Maintain open line of communications

Have an open line of communication

Recognize value of information

Minimize submittal and response times in all matters

Keep paper and administrative work to a minimum

Develop and implement alternative conflict resolution system

Prompt resolution of conflicts at lowest possible level

Eliminate need for contracting office decisions

Fair interpretation of ambiguities

Be proactive (not reactive) in problem solving

Objective attitude toward constructability

Accept responsibility for your actions or inactions

Have empathy in all matters

Clearly describe changes to contract work

Limit cost growth

Develop cost saving measures

Maintain clean, efficient, secure work site

No lost time due to accidents

Properly staff project

Be a good neighbor

Seek to maintain good job morale and attitudes

Promotion of partnering attitudes at all levels of contract administration

Have fun

Pride in product

Commit to quality control in all project related matters

Do it right the first time

Maintain proper work sequence

Meet design intent

Close out job in proper and timely manner

Maintain and implement a performance evaluation system

Mission statements - Thursday, April 16, 1992 - VA Hospital

These statements were prepared by each participant desiring to provide their idea of how the mission statement should read. These statements were provided to the group and were used to develop a Charter mission statement.

01

To work as a team and produce a quality project through a program of trust, integrity and cooperation.

02

To work together in a team atmosphere, communicate openly, and cooperate fully in the construction of a high grade quality building that we can be proud of upon its timely completion.

03

Completion of a quality facility with appropriate benefits to all participants without legal disputes and in a manner that is enjoyable to all.

04

To insure that our goals and objectives are totally met, within the framework and intent of the contract documents, in a comfortable, safe, and conflict free environment.

05

We as a team seek to create a quality product, maintaining both sensitivity and integrity of design, a facility constructed in a cooperative spirit, on schedule, resulting in an equitable/pleasant experience for all.

06

Work together in an enjoyable manner to produce a project where each partner would be proud to accept personal responsibility for quality, cost, time for completion and functionality.

07

Cooperate through communication and timely performance to create a quality product within the allotted time and within budget.

08

Safely deliver a quality product in sequence, on time and under budget.

09

Having an open line of communication in an effort to construct the project on time, within budget, safely and without adversarial relationships.

10

Acting as a "team", complete construction and activation on time with quality, recognizing each player's need for reasonable profit.

11

Work together to produce a high quality project in a win/win partnership.

12

Recognizing our common objectives we agree to strive together to construct on time and within budget the VAMC, Detroit project to the

- 13 highest quality standards commensurate with its mission of serving veterans and the community.
- 14 Produce the quality facility on time, within budget, without accidents, without litigation and have fun doing it.
- 15 To agree on practical goals and objectives that will be acted on throughout the project - no matter how few, rather than glowing, flowery platitudes that will never be realized.
- 16 Complete this project in a manner we can all be proud of with respect to everyone's expectation in a spirit of cooperation.
- 17 We commit to produce the construction of VAMC, Detroit on time, within budget recognizing the realistic goals of all participants in a way each one of us and our organizations, can take pride in.
- 18 To ultimately provide a state of the art health care facility for veterans in a manner such that the construction is completed safely, on time, within budget and without major disputes or litigation, and meets the goals of the participants.
- 19 To produce a quality job on time and within budget and enjoy doing it.
- 20 The mission is - through cooperation, communication and understanding build and activate a medical facility that results in pride and satisfaction for all involved parties.
- 21 To work together as a team to produce a high quality, functionally complete medical facility, on time as designed.
- 22 Construct a quality building on time, within budget, with safe working conditions and no claims.
- 23 To work together as partners to complete this high profile on time, as designed and at a mutually agreed price.
- 24 Produce a project of the highest quality obtainable within the specified time frame and cost, while having fun accomplishing our goal.
- 25 Construct a high quality - usable facility in a timely, safe and cost effective manner. All the while enjoying the process.
- Construct a quality, profitable, cost effective and safe project on schedule with minimum conflict or impact on other members of the construction team.



26

We seek to produce a quality, on time project, with open communications, cost savings, pride and at a fair profit.

Mission statement - preliminary - prepared by task force for submission to total group

- Recognizing our common objectives we agree to strive together to safely construct on time and within budget the VAMC Detroit project to the highest quality standards commensurate with its mission of serving veterans and the community.

- To achieve our mission we believe in the following principles

- Commitment,
- Mutual trust
- Integrity
- Personal pride."

Issue resolution - random discussion points

Methods of resolving or avoiding contested disputes

Litigation - bench or jury trials

Arbitration - AAA or other

Mediation - formal or informal

Alternative dispute resolution board - has promise

Administrative settlement - generally the best of all methods

At origin level

Within project staff

What is the channel of issue resolution?

To be discussed and decided on by a Charter task force

Change orders - suggested 21 day action limit as guideline

Documentation - of what type and to what level?

Settle job disputes at job site & at originating level whenever possible

E. 02:15 pm to 05:00 pm - chaired by rjs

Charter draft #1

Mission statement

- Recognizing our common objectives we agree to strive together to safely construct on time and within budget the VAMC Detroit project to the highest quality standards commensurate with its mission of serving veterans and the community.

- To achieve our mission we believe in the following principles

- Commitment,
- Mutual trust
- Integrity
- Personal pride.

Charter objectives

Maintain open line of communication

Keep paper and administrative work to a minimum

Develop and implement alternative conflict resolution system

Limit cost growth

Maintain clean, efficient, secure work site

Seek to maintain good job morale and attitudes  
Commit to quality control in all project related matters  
Close out job in proper and timely manner  
Maintain and implement a partnering evaluation system

Signed document

Charter final draft

Mission statement

• **We the undersigned recognize that we all have common objectives. We therefore agree to strive together to construct the Detroit VAMC safely, on time and within budget to the highest quality standards commensurate with its mission of serving veterans and the community.**

• **To achieve our mission we believe in the following principles**

- **Commitment**
- **Mutual trust**
- **Integrity**
- **Personal pride**

Charter objectives

01. Maintain open lines of communications
  - a. Recognize the need for quality information
  - b. Minimize submittal and response times in all matters
02. Keep paper and administrative work to a minimum
03. Develop and implement an alternative conflict resolution system
  - a. Prompt resolution of conflicts at lowest possible level
  - b. Eliminate need for Contracting Officer decisions
  - c. Fair interpretation of ambiguities
  - d. Be proactive (not reactive) in problem solving
  - e. Maintain objective attitude toward constructability and practicality
  - f. Accept responsibility for your actions or inactions
  - g. Have empathy in all matters
  - h. Clearly describe changes to contract work
04. Limit cost growth
  - a. Develop cost effective measures
05. Maintain clean, efficient, secure work site
  - a. No lost time due to accidents
  - b. Properly staff project
  - c. Be a good neighbor
06. Seek to maintain good job morale and attitudes
  - a. Promotion of partnering attitudes at all levels of contract administration
  - b. Have fun

- c. Have pride in your product
- 07. Commit to quality control in all project related matters
  - a. Do it right the first time
  - b. Maintain proper work sequence
  - c. Meet design intent
  - d. Recognize owner's needs in occupation and operation of the facility
- 08. Close out job in proper and timely manner
- 09. Maintain and implement a partnering evaluation system

**05. To do items**

**A. Transcribe all flip charts and transparencies into meeting notes**

2:28:50 PM - Tuesday, May 12, 1992

**Flip chart & transparency notes taken from April 16, 1992 chartering conference**

The notes transcribed below are in the main unedited. Only obvious errors of grammar or punctuation have been corrected.

**What actions does (do) the other group (groups) engage in that create problems for us?**

This question extends to the actions of other groups including owner, architect/engineer, joint venture, prime contractors, and sub contractors.

*Answers from the sub contractor group*

Actions of owners, generals, or others that cause problems

- 01. Direction to proceed w/o timely change order (owner)  
Signed time sheets, etc.
- 02. Establish clear chain of command (gc, owner)
- 03. Changes - clarifications excessive (owner - design)
- 04. Excessive testing & inspection in a timely manner
- 05. Timely decision making  
RFI's  
C.O.'s
- 06. Billing breakdowns
- 07. Contingency fund for gaps or omissions in the specs & dwgs  
Fair or joint resolution of errors, omissions
- 08. GC covering general conditions costs by charging subs.
- 09. General conditions pass excessive responsibility to contractors
- 10. Timely acceptance of work
- 11. Timely response on value engineering submittals
- 12. G. C.'s pass coordination efforts on to subcontractors
- 13. More flexibility in resolving conflict issues  
Timely meetings - weekly, monthly as reqd  
Joint resolution board

Actions of general contractor (joint venture) (?) that cause problems

- 01. Published chain of command
- 02. Timely response:
  - a. RFI
  - b. Approval shop dwgs.
  - c. Site activity restrictions
  - d. Change orders
  - e. Value engrg.
  - f. Acceptance of work
- 03. Fair and/or joint interpretation of ambiguous documents
- 04. Fair evaluation of schedule extns.
- 05. Contingency fund for ambiguous plans & specs.

06. No directive to proceed w/o time limit or C. O.
07. Billing breakdown to prevent subs financing
08. Improper passing of General Conditions responsibility to subs
09. Improper and excessive testing and inspection
10. Periodic forum to evaluate and resolve open issues.

*Answers from the joint venture, general contractor group*

Actions of the owner & a/e that cause problems

01. Slow submittal turn around
02. Failure to accept responsibility for errors/omissions
03. Inadequate no. of staff members
04. GFE information provided late
05. GFE installation not done timely
06. Slow resolution of change orders
07. Unreasonable punch lists
08. Scope of changes incomplete/unclear
09. Communication not free and open.
10. Failure to recognize impact of changes on ongoing work

Actions of the general contractor that cause problems

01. Incomplete submittal information
02. Late submission of proposals
03. Deviations submitted that require additional review time
04. Excessive no. of RFI's submitted
05. Untimely solutions and correction to errors we make and acceptance of responsibility of same
06. Untimely submission of as-builts, O & M manuals, and training of user personnel
07. Failure to keep proper sequence of work flow
08. Failure to maintain free open communications w/ owner & a-e & subs
07. Failure to maintain clean efficient, safe working conditions

Actions of the sub contractors that cause problems

01. making complete submittals
02. timely submission of proposals - completeness, proper scope
03. do your own punchlists
04. pre-test special systems - equip. start-up
05. input on schedules - being realistic - being ready for inspection & start-up
06. untimely proposing a solution to a problem
07. nick-picking of changes
08. o & m training & manuals - not timely
09. leaving messy work areas - not sweeping floors ("Electricians don't sweep floors)
10. Need open line of communication - keeping general informed.
11. Submitting inflated proposals & negot. realistic dollars.
12. Do their part in Safety - (replace barricades, clean work areas, break areas, etc.)
13. Limit sub-contractor Alternate suggestions.  
There is a high potential for gaps & extra work that might be unknown at the time of Alternate proposal

*Answers from the owner/user and the a/e group together*

Actions of the owner & a/e (us) that cause problems

01. Untimely delivery of VC information and equipment

02. Slow payment
03. Design errors and omissions
04. Resistance to solving problems perceived as "contractor problems"
05. Delay in response of RFI's & submittals
  - a.) due to "zeal for perfection"
  - b.) due to administrative delay
06. Changes issued in incomplete form (sketches & narrative)
07. Slow VACO response to concurrent reviews & changes
08. Too many changes
09. Inappropriate interruptions
10. Inability to make decisions

Actions of the contractor & sub contractors (others) that cause problems

01. Duplication of RFI's from subcontractors
02. "Pass through" Attitude by G.C. ie submittals, RFI's, resubmissions
03. Slow "punch list" and deficiency correction
04. Recognition of "punch list" item vs. "non-acceptance" item
05. Complete "pre-tested" systems
06. Timely submittals
07. Early notification of problems and schedule changes which affect user/owner
08. Prompt implementation/dissemination of "change/modification" information
09. Weak coordination of subcontractors
10. Failure to exercise proper Q.C.
11. Incomplete 'uncoordinated submittals
12. "Bid Shopping": Delay selection impacts schedule  
Delay selection impacts quality
13. Unrealistic expectations of submittal

Recommendations of owner/user (to help resolve problems)

01. Better communications
02. Less defensiveness/more openness
03. Fast dispute resolution
04. Don't take issues personally
05. Contractor review RFI's & submittals before processing
06. Be willing to propose/suggest solutions
07. Submittal schedule
08. Prioritization of submittals
09. Complete/thorough questions
10. Positive attitude
11. Recognition of Buy America Act and other "Boiler Plate" clause impact
12. Recognition of Owner's need to eventually occupy, operate and maintain facility/systems
13. Recognition of importance of "paper work"
14. Allowing necessary contract time for training

**Ralph J. Stephenson P.E. P.C.**  
Consulting Engineer

May 3, 1992

a:bdch0429 - Bateson/Dailey Partnering Charter notes - VAMC - April 29, 1992 - en route from Lansing to Minneapolis

**Rough draft**

These notes were taken by various parties during the VAMC B/D Charter Meeting held on Thursday, April 16, 1992 in Southfield - project 92:??

The points below are responses to questions contained in Exercise #1 of the AGC manual on partnering.

Points identified by the joint venture, general contractor

What deficiencies the owner & a/e generally contribute to in their job actions. As they were written.

1. Slow submittal turn around
2. Failure to accept responsibility for errors/omissions
3. Inadequate no. of staff members
4. GFE information provided late
5. GFE installation not done timely
6. Slow resolution of change orders
7. Unreasonable punch lists
8. Scope of changes incomplete/unclear
9. Communication not free and open.
10. Failure to recognize impact of changes on ongoing work

What deficiencies the general contractor often contribute to on a project

1. Incomplete submittal information
2. Late submission of proposals
3. Deviations submitted that require additional review time
4. Excessive no. of RFI's submitted
5. Untimely solutions and correction to errors we make and acceptance of responsibility of same
6. Untimely submission of as-builts, O & M manuals, and training of user personnel
7. Failure to keep proper sequence of work flow
8. Failure to maintain free open communications w/ owner & a-e & subs
7. Failure to maintain clean efficient, safe working conditions

Deficiencies that subcontractors often contribute to on the project

**Ralph J. Stephenson P.E. P.C.**  
Consulting Engineer

May 3, 1992

1. making complete submittals
2. timely submission of proposals - completeness, proper scope
3. do your own punchlists
4. pre-test special systems - equip. start-up
5. input on schedules - being realistic - being ready for inspection & start-up
6. untimely proposing a solution to a problem
7. nick-picking of changes
8. o & m training & manuals - not timely
9. leaving messy work areas - not sweeping floors ("Electricians don't sweep floors")
10. Need open line of communication - keeping general informed.
11. Submitting inflated proposals & negot. realistic dollars.
12. Do their part in Safety - (replace barricades, clean work areas, break areas, etc.)
13. Limit sub-contractor Alternate suggestions. There is a high potential for gaps' extra work that might be unknown at the time of Alternate proposal

Points identified by the owner/user and the a/e together.

#### Deficiencies

What deficiencies the owner & a/e generally contribute to in their job actions. As they were written.

- \* Untimely delivery of VC information and equipment
- \* Slow payment
- \* Design errors and omissions
- \* Resistance to solving problems perceived as "contractor problems"
- \* Delay in response of RFI's & submittals
  - 1.) due to "zeal for perfection"
  - 2.) due to administrative delay
- \* Changes issued in incomplete form (sketches & narrative)
- \* Slow VACO response to concurrent reviews & changes
- \* Too many changes
- \* Inappropriate interruptions
- \* INability to make decisions
- \* Duplication of RFI's from subcontractors
- \* "Pass through" Attitude by G.C. ie submittals, RFI's, resubmissions
- \* Slow "punch list" and deficiency correction

**Ralph J. Stephenson P.E. P.C.**  
Consulting Engineer

May 3, 1992

- \* Recognition of "punch list" item vs. "non-acceptance" item
- \* Complete "pre-tested" systems
- \* Timely submittals
- \* Early notification of problems and schedule changes which affect user/owner
- \* Prompt implementation/dissemination of "change/modification" information
- \* Weak coordination of subcontractors
- \* Failure to exercise proper Q.C.
- \* Incomplete ' uncoordinated submittals
- \* "Bid Shopping": Delay selection impacts schedule  
Delay selection impacts quality
- \* Unrealistic expectations of submittal

#### Recommendations of owner/user

- \* Better communications
- \* Less defensiveness/more openness
- \* Fast dispute resolution
- \* Don't take issues personally
- \* Contractor review RFI's & submittals before processing
- \* Be willing to propose/suggest solutions
- \* Submittal schedule
- \* Prioritization of submittals
- \* Complete/thorough questions
- \* Positive attitude
- \* Recognition of Buy America Act and other "Boiler Plate" clause impact
- \* Recognition of Owner's need to eventually occupy, operate and maintain facility/systems
- \* Recognition of importance of "paper work"
- \* Allowing necessary contract time for training



Bateson/Dailey - VA Hospital notes - d309

6:04:15 PM - Tuesday, April 14, 1992 . . . . . 1  
    *To be added to as work proceeds* . . . . . 1  
    *Reference documents* . . . . . 1  
    *Abbreviations* . . . . . 1  
    *Those involved* . . . . . 2  
    *Items of interest* . . . . . 3  
    *Possible agenda items for Charter meeting* . . . . . 3  
    *Partnering Charter Workshop notes* . . . . . 3

Bateson/Dailey - VA Hospital notes - d309

1. 6:04:15 PM - Tuesday, April 14, 1992
  - 1.1. To be added to as work proceeds
  - 1.2. Reference documents
    - 1.2.1. Letter from dsm to rjs - April 13, 1992
    - 1.2.2. Letter from dsm to jhe - March 4, 1992
  - 1.3. Abbreviations
    - 1.3.1. ? - ost Administrator of Project Management
    - 1.3.2. aco - Angelo Colasanti - cco President
    - 1.3.3. bbe - Bud Bedingfield - bdj Assistant Project Manager
    - 1.3.4. bco - Bob Coxe - jwp President
    - 1.3.5. bdj - Bateson/Dailey, J. V. (General Contractor)
    - 1.3.6. bsa - Bill Saunders - ost Vice President of Sales
    - 1.3.7. cco - Colasanti Corporation (Concrete forming, placing & finishing)
    - 1.3.8. coe - Corps of Engineers
    - 1.3.9. dmc - Dan McGuire - President - Dumas/McGuire (Sub for steel erection)
    - 1.3.10. dsm - Don K. Smith - Bateson/Dailey - Project Director
    - 1.3.11. dsm - Don K. Smith - bdj Project Director
    - 1.3.12. eri - Earl Riske - Vice President Operations - Triangle Electric
    - 1.3.13. est - Earl Stevens - f&m Project Manager
    - 1.3.14. est - Earl Stevens - Fischbach & Moore
    - 1.3.15. f&m - Fischbach & Moore, Inc. (Electrical Subcontractor)
    - 1.3.16. fha - Fred Handley - Smith Hinchman & Grylls - Site Representative
    - 1.3.17. gbe - Gary Beaman - bdj Assistant Project Manager
    - 1.3.18. jhe - J. L. Herndon - Bateson(?)
    - 1.3.19. jhe - J. L. Herndon, Executive Vice President (Bateson)
    - 1.3.20. jho - John Holland
    - 1.3.21. jho - John Holland - vaf Senior Resident Engineer - on site
    - 1.3.22. jpa - John Paglione
    - 1.3.23. jpa - John Paglione - vam Health Systems Specialist
    - 1.3.24. jsi - Jim Simonson - ost Project Manager
    - 1.3.25. jst - Jim Stephens - vam Hospital Director
    - 1.3.26. jwp - JWP Mechanical Services (Mechanical Subcontractor)
    - 1.3.27. lsa - Lee Spampinato - jwp Senior Vice President
    - 1.3.28. mbr - Mike Brennan
    - 1.3.29. mbr - Mike Brennen - Smith Hinchman & Grylls - Project Manager
    - 1.3.30. mde - Mike Daniels - cco Project Manager
    - 1.3.31. mol - Mike Olsen - vam Chief of Acquisition
    - 1.3.32. ost - Owen Steel (Structural Steel Subcontractor)
    - 1.3.33. rjs - Ralph J. Stephenson, P. E. - Consultant
    - 1.3.34. rsw - Roger Swarthout, Vice President Field Operations (Dailey)
    - 1.3.35. shg - Smith Hinchman & Grylls
    - 1.3.36. ssl - Stan Slemmer - vaf Resident Engineer - on site

Bateson/Dailey - VA Hospital notes - d309

- 1.3.37. *tki - Tim King - jwp Contract Manager (On site)*
- 1.3.38. *vaf - Veteran's Administration - Office of Facilities (construction)*
- 1.3.39. *vam - Veteran's Administration - Medical Center*
- 1.3.40. *vja - Vince Jabbia - bdj Assistant Project Manager*
- 1.3.41. *wwe - Bill Webb - vaf Project Manager - Washington D. C. office*
- 1.4. *Those involved*
  - 1.4.1. *Bateson/Dailey, J. V. (General Contractor)*
    - J. L. Herndon, Executive Vice President (Bateson)
    - Roger Swarthout, Vice President Field Operations (Dailey)
    - Don K. Smith - Project Director
    - Vince Jabbia - Assistant Project Manager
    - Gary Beaman - Assistant Project Manager
    - Bud Bedingfield - Assistant Project Manager
  - 1.4.2. *Colasanti Corporation (Concrete Forming, Placing & Finishing)*
    - Angelo Colasanti - President
    - Mike Daniels - Project Manager
  - 1.4.3. *Corps of Engineers*
  - 1.4.4. *Fischbach & Moore*
    - Earl Stevens`
  - 1.4.5. *Fischbach & Moore, Inc. (Electrical Subcontractor)*
    - Earl Stevens - Project Manager
    - Earl Riske - Vice President Operations - Triangle Electric
  - 1.4.6. *JWP Mechanical Services (Mechanical Subcontractor)*
    - Bob Coxe - President
    - Lee Spampinato - Senior Vice President
    - Tim King - Contract Manager (On site)
  - 1.4.7. *Owen Steel (Structural Steel Subcontractor)*
    - Bill Saunders - Vice President of Sales
    - Jim Simonson - Project Manager
    - Dan McGuire - President - Dumas/McGuire (Sub for steel erection)
    - ? - Administrator of Project Management
  - 1.4.8. *Smith Hinchman & Grylls*
    - Mike Brennen - Project Manager
    - Fred Handley - Site Representative
  - 1.4.9. *Veteran's Administration - Medical Center*
    - Jim Stephens - Hospital Director
    - John Paglione - Health Systems Specialist
    - Mike Olsen - Chief of Acquisition
  - 1.4.10. *Veteran's Administration - Office of Facilities (construction)*
    - Bill Webb - Project Manager - Washington D. C. office
    - John Holland - Senior Resident Engineer - on site
    - Stan Slemmer - Resident Engineer - on site

**1.5. Items of interest**

**1.5.1. Characteristics of project**

Location

Approximate cost - \$229,337,000 (general only?)

Project delivery system being used

**1.5.2. Organizational & operational structures**

Partnering group

Upper management

Welcome to attend any partnering meeting

Executive meetings to be held quarterly

Champion

Sponsor assignment will be rotated - in order

dsm - Don K. Smith - Bateson/Dailey - Project Director

jho - John Holland

mbr - Mike Brennan

jpa - John Paglione

Evaluation and progress meetings

To be held every 6 weeks

Who is to attend? - dsm suggested possibly field staff members only

Senior management evaluations

coe suggests these be held quarterly at site

Construction group

Upper management

Welcome to attend any partnering meeting

Design group

Owner group

**1.5.3. Questions**

What training aids were provided per point 7, page 2 of dsm ltr to jhe of 03/04/92?

**1.6. Possible agenda items for Charter meeting**

**1.6.1. Senior management evaluation meetings**

**1.6.2. Staff member evaluation and progress meetings**

**1.6.3. Responsibilities of each party**

**1.6.4. Authority of each party**

**1.6.5. Duties of each party**

**1.7. Partnering Charter Workshop notes**

**1.7.1. Purpose of meeting**

To develop and adopt the charter of the partnering team

**1.7.2. Date of meeting - Thursday, April 16, 1992**

**1.7.3. Time - 07:30 am to 04:30 pm approximately - meeting to extend to completion of work**

**1.7.4. Place - Radisson Hotel - Town Center Drive, Southfield, Michigan**

**1.7.5. Program**

Time table

07:30 to 08:00 am - Continental breakfast - Portage room - 1st floor level

08:00 to 10:00 am - Meeting - session #1

10:00 to 10:15 am - Coffee break

10:00 to 12:00 noon - Meeting - session #2

12:00 to 01:00 pm - Lunch - Nicollet room - 2nd floor level

01:00 to 03:00 pm - Meeting - session #3

03:00 to 03:15 pm - Break

03:15 to 04:00 pm - Meeting - session #4

04:00 pm - Sign charter - Meeting - session #5

Note: rsm suggests the end of the meeting be when the charter is completed and signed

Meeting details from Partnering - A Concept for Success - AGC

08:00 to 10:00 am - Session #1

Introductory discussions

agc suggested topics

Opening remarks of senior executives - why we are here

Introductions

Partnering overview

rjs suggested topics

10:15 to 11:15 am - Session #2

Exercise #1 - Barriers, Problems, Opportunities

agc suggested questions

What actions does the other group engage in that create problems for us?

What actions do we engage in that we think may create problems for them?

What recommendations would we make to improve the situation?

Technique

The parties will break into two groups (Owner and Contractor). These questions are answered and then reported back to entire group.

rjs suggestions

Must decide on more detailed breakdown for groups

Perhaps break into owner, operator, design, prime contractor, subcontractors

11:15 to 11:45 am - Session #2 cont

Report back on exercise #1

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agc suggestions

Report and discussion in entire group

rjs suggestions

11:45 to 12:00 noon - Session #2 cont

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:00 to 01:15 pm - Session #3

Mission

agc suggestion

Develop mission statement

rjs suggestions

01:15 to 01:45 pm - Session #3 cont

Exercise #2 - Interests, Goals, Objectives

agc suggested questions

What direct and indirect interests do we have in the outcome of this project?

Given our interest, what are reasonable, achievable goals to which we can strive?

What specific, measurable objectives can we identify that move us toward our goals?

Technique

Again, the parties separate into owner and contractor groups. When results are reported back to the entire group, common objectives emerge. From these, a specific list of charter objectives are developed along with mission statement.

rjs suggestions

01:45 to 02:15 pm - Session #3 cont

Report back on exercise #2

agc suggestions

Report, discussion, identification of common goals and objectives

rjs suggestions

02:15 to 03:00 pm - Session #3 cont

Exercise #3 - Issue resolution and team evaluation

agc suggested questions

What should our issue resolution policy require?

How should the issue resolution process work?

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What are the roles and responsibilities for all levels of the partnership in issue resolution?

How can we evaluate the progress of the partnership in achieving our goals and objectives?

Who initiates the evaluation, who has input to the evaluation, and who sees the evaluation?

What actions should the evaluation trigger?

Should the evaluation process include followup workshops?

If so, when and who is responsible?

Who should attend?

Technique

This exercise may be conducted in one large group discussion. Specific follow up tasks may be assigned to ensure closure on procedures and evaluation forms.

rjs suggestions

03:15 to 04:00 pm - Session #4

Report discussions, agree on process and format

agc suggestions

rjs suggestions

04:00 to 04:30 pm - Session #5

Sign charter

Ralph J. Stephenson, P. E.  
Consulting Engineer  
323 Hiawatha Drive  
Mt. Pleasant, Michigan  
ph 517 772 2537

February 5, 1994

Mr. Don K. Smith  
Project Director  
Replacement Hospital  
V. A. Medical Center  
4401 Brush Street  
Detroit, Michigan 48201

Dear Mr. Smith:

Re: Agenda for meeting to revisit the VAMC charter and partnering system

In accordance with your letter of January 10, 1994 it appears the following program of activities would be appropriate to achieve the results you desire in our partnering meeting. If you have any comments or suggestions please call.

- Location of meeting - Radisson Plaza Hotel - Southfield, Michigan

- Date of meeting - Thursday, February 10, 1994

- Major timetable for meeting

07:30 A. M. - Continental breakfast.  
08:00 A. M. - Review of partnering system and discussion.  
10:00 to 10:20 A. M. - Coffee break  
12:00 noon - Adjournment.

- Equipment needed - Don Smith will arrange

Overhead transparency projector.  
Screen.  
Flip chart.  
Marker board if available.

- Meeting agenda

A. Introduction by project principals.

1. Purpose of meeting.
2. Results desired from meeting.
3. Introduction of those attending.



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February 5, 1994

B. Introduction to meeting subject (rjs).

1. Macro matrix of construction business.
  - Actions to be taken
  - Functions to be fulfilled.
  - Those who do the work
2. Responsibility and authority as factors in effective partnering action.

C. History of partnering.

1. Historical role of construction etiquette in non contract issues.
2. Chronology of partnering.
3. The many faces of partnering - what is it and what does it do?
4. Review of alternative dispute resolution and its relation to partnering
5. What makes a successful project?

D. Review of original charter.

1. How was it prepared?
2. What were the major steps taken?
3. What were the comments that helped set the charter objectives?
4. Revisions to the original charter.
  - Should there be any?
  - What revisions might be appropriate?
  - How should they be added?

E. Review of partnering evaluation system.

1. Review VAMC scoring system on charter objectives.
2. Low rated subjects & their analysis.
  - ADR.
  - Site cleanliness and safety.
  - Quality.
  - Schedule.
3. Discuss trends observed from ratings.
4. Should any revisions be made to the evaluation system?
  - What type of revisions might be made?
  - Specifically, what are they?
  - How should they be incorporated into the present system?

F. Review of issue resolution system.

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February 5, 1994

1. Routes of issue & dispute resolution.
2. How can the VAMC issue resolution system be improved?

G. Observations from other partnering systems

1. Review material gathered in the 13 + 2 charter sessions to date.
2. How does the VAMC partnering system measure up against others?

H. Demotivating issues that tend to lessen partnering effectiveness.

1. Review of posturing and what it generally means.
2. How is partnering used for gaining unearned advantages?
3. Confused responsibility & authority lines.

I. What are the positive benefits of partnering

1. Participants are unique.
2. Project encourages positive attitudes through partnering.
3. Project team considered unique.
4. Disputes tend to be settled at the origin.
5. Useful guideline objectives evolve from partnering systems.

J. Where do we go from here?

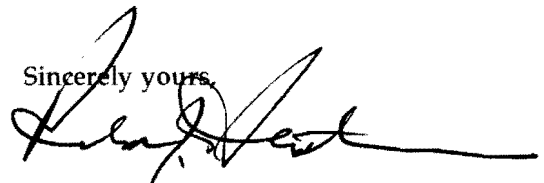
1. Field training in adr and partnering for all parties at risk.
2. Partnering events - how can they be used to improve the project work?

Adjournment at 12:00 noon.

I shall probably prepare, duplicate and distribute at the meeting, a small packet of material to supplement our discussions. These will be supplemented with overhead transparencies.

This meeting has some exciting potential and I am looking forward to very interesting and informative day. Thank you for the opportunity to participate.

Sincerely yours,



Ralph J. Stephenson, P. E.

Table of contents - Revisiting VAMC charter and partnering system

Pages 01 & 02	Meeting agenda.
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Page 04	Macro matrix of design and construction.
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Pages 09 & 10	What is partnering?
Pages 11 & 12	The several faces of partnering.
Pages 13 & 14	The components of a partnering system.
Pages 15 to 18	An overview of partnering.
Page 19	Route of issue & dispute resolution.
Page 20	Partnering sequence.
Page 21	Partnering evaluation tabular summary.
Pages 22 to 28	Partnering evaluation chart.
Pages 29 to 35	How to know when your project is a success

## Agenda for meeting to revisit the VAMC charter and partnering system

- Location of meeting - Radisson Plaza Hotel - Southfield, Michigan
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- J. Where do we go from here?
  - 1. Field training in adr and partnering for all parties at risk.
  - 2. Partnering events - how can they be used to improve the project work?

Adjournment at 1200noon.

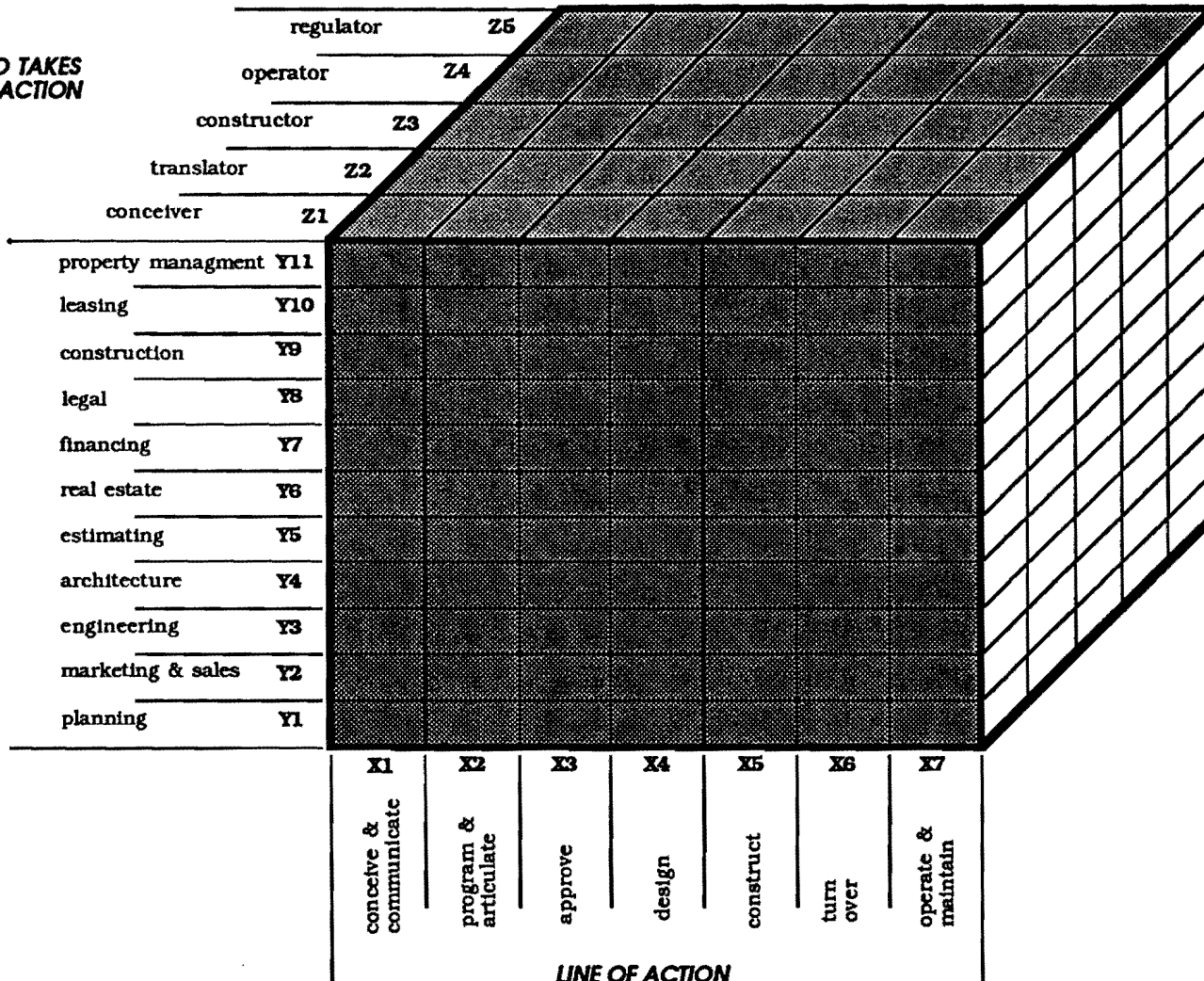
## ***PARTNERING - A. G. C.***

**A way of achieving an optimum relationship between a customer and a supplier. A method of doing business in which a person's word is their bond, and where people accept responsibility for their actions.**

**Partnering is not a business contract, but a recognition that every business contract includes an implied covenant of good faith.**

# MACRO MATRIX BOUNDARIES OF DESIGN & CONSTRUCTION

WHO TAKES  
THE ACTION



ACTIONS TO  
BE TAKEN

LINE OF ACTION

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## **Conflict - its nature and source in the construction profession**

### **I. Definitions**

#### **A. Adversarial**

Taking the position of an opponent or enemy. Opposing another's interests or desires.

#### **B. Authority**

The prerogatives, either vested or acquired over a long period of time, that allow an individual to carry out their responsibilities and duties. This includes the right to determine, adjudicate, or otherwise settle issues or disputes; the right to control, command, or determine.

#### **C. Conflict**

A state of disagreement and disharmony.

#### **D. Destructive conflict**

Animosity or disagreement which results in lowering the potential for an individual or organization to succeed.

#### **E. Dispute**

To engage in argument or discussion. To quarrel or fight. An expressed disagreement.

#### **F. Partnering**

A method of conducting business in the planning, design, and construction profession without the need for unnecessary, excessive and/or debilitating external party involvement.

#### **G. Positive conflict**

Hostility that is managed so its resolution raises the potential for well intentioned individuals or organizations to succeed at being excellent.

#### **H. Program**

A narrative oriented statement of the needs and character of the proposed user operation, the requirements of the user and owner, the nature of the environment to be planned, designed and built, and the corresponding characteristics of the space that will satisfy these needs and requirements. Sometimes called the brief.

#### **I. Quality**

A characteristic of superior excellence.

#### **J. Responsibility**

The assignment, spoken or understood, that a person in an organization has as their part in maintaining the organization's health and vitality.

#### **K. Resolution**

A course of action determined or decided upon that can result in clearing conflict or dispute.

#### **L. Risk**

Any exposure to the possibility of harm, danger, loss or damage to people, property, or other interest. To expose to a chance of loss or damage.

#### **M. Third party**

An individual or group that is not primarily engaged in facilities programming, design, construction, or operations.

### **II. Why has construction become so adversarial?**

A. The process of dispute resolution is not well understood.

B. We are having increasing difficulty controlling the indirect predictable, and the unpredictable impacts on our jobs.

C. Professional success requires we consider the following:

1. The design and construction professional is obliged, above all, to protect the health, welfare and safety of the public.



2. The legal professional is obliged, above all, to protect the interest of his or her client. These interests are defined by the body of law. Thus the body of law, not the law professional, is depended upon in legal resolutions to protect the health, welfare & safety of the public.
  3. The legal process has moved too far outside the control of those depending on its proper use to fairly resolve damaging conflict.
- D. **Business success** requires we take these business actions.
1. Provide a quality management process leading to a well constructed facility.
  2. Profitably produce services and facilities.
  3. Measure the quality of the process you provide.
  4. Help manage destructive conflict.
  5. Encourage early action on potentially damaging events.
  6. Reduce professional liability costs.
- III. Why are disputes often not resolved promptly and fairly.
- A. Differences in goals and objectives of parties to the project.
  - B. Lack of clear understandings about the design and construction industry needs.
  - C. Lack of value-added for third party interests through prompt and fair settlements.
  - D. Excessive resort to legal based delays and road blocks to resolution.
  - E. Excessive demands on resolution resources (courts, arbitrators, judges and other agencies involved).
  - F. Greed.
- IV. Some categories of conflict in planning, design, and construction.
- A. Approval processes.
  - B. Being a good neighbor.
  - C. Closing out.
  - D. Communicating.
  - E. Constructibility.
  - F. Construction document quality.
  - G. Cost growth.
  - H. Good work site.
  - I. Job morale & attitude.
  - J. Legal matters.
  - K. Paper and administrative work.
  - L. Payment.
  - M. Planning and scheduling.
  - N. Policies and procedures.
  - O. Processing revisions.
  - P. Procurement.
  - Q. Program conditions.
  - R. Project cost structure.
  - S. Quality control.
  - T. Submittal processing.
  - U. Time growth.
- V. Some experiences with conflict in construction and partnering.
- A. What actions do others engage in that create problems for us, or do we engage in that create problems for others? (sample responses from an actual charter meeting.)
    1. Giving directions to proceed without a timely change order.
    2. Failing to establish clear chain of command.

3. General contractor covering general conditions costs by charging subs.
  4. Lack of timely acceptance of work.
  5. Lack of timely responses to
    - a) RFI's.
    - b) Approval of shop drawings.
    - c) Site activity restrictions.
    - d) Change orders.
    - e) Value engineering.
    - f) Acceptance of work.
  6. Improper passing of general conditions responsibility to subs.
  7. Lack of forum to evaluate and resolve open issues.
  8. Slow submittal turn around.
  9. Unreasonable punch lists.
  10. Failure to recognize impact of changes on ongoing work.
  11. Late submission of proposals.
  12. Untimely submission of as-builts, operating & maintenance manuals, and training of user personnel.
  13. Failure to maintain clean efficient, safe working conditions.
  14. Do your own punch lists.
  15. Pretest special systems - equipment start-up.
  16. Untimely delivery of owner equipment.
  17. Slow payment.
  18. Design errors and omissions.
  19. Resistance to solving problems perceived as *contractor problems*.
  20. Changes issued in incomplete form (sketches & narrative).
  21. Slow owner response to concurrent reviews & changes.
  22. Pass through attitude by general contractor.
  23. Bid shopping.
- B. Recommendations to help resolve some of the problems we or others cause. (sample recommendations from an actual charter meeting.)
1. Better communications.
  2. Less defensiveness/more openness.
  3. Fast dispute resolution.
  4. Don't take issues personally.
  5. Contractor review requests for information & submittals before processing.
  6. Be willing to propose/suggest solutions.
  7. Submittal schedule provided.
  8. Prioritization of submittals.
  9. Complete/thorough questions.
  10. Positive attitude.
  11. Recognition of owner's need to eventually occupy, operate and maintain facility/systems.
  12. Recognition of importance of paper work.
  13. Allowing necessary contract time for training.
- VI. How to recognize risk on a project (adapted from Mr. Papageorge, R. A.'s comments on risk)
- A. Identify as many potential threats to project success as early as possible.
  - B. Identify where problems will be caused by taking risks to help assure project success.
  - C. Evaluate and analyze the project team's ability to take the risks identified.

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Consulting Engineer  
December 22, 1993

- D. Evaluate and analyze the project team member's abilities to take the needed risks.
- E. Identify the impact of legal contractual obligations on the risks being considered.
- F. Evaluate and analyze existing project conditions and the restraints they exert on the project.
- G. Establish and implement a systematic procedure for identifying and adjusting risk to acceptable levels to assure a high probability of project success.

## **WHAT IS PARTNERING?**

- 1. Partnering is a **system of conducting business** that maximizes the potential for:
  - a) Achievement of project **intent**.
  - b) Obtaining specified **quality**.
  - c) Encouraging healthy, ethical customer/supplier **relationships**.
  - d) Adding **value**.
  - e) Improving **communication**.
  - f) Providing methods of project condition **measurement & feedback**.

g) Providing methods of quickly **resolving conflicts** by non destructive means at optimal levels of management.

- 2. Partnering provides the basis for **preventive** methods of **dispute resolution**.

- 3. Partnering is an agreement in **principle**, and **must not supersede** or supplant the planning, design, and construction **contracts** in place or to be written and executed.

## *THE SEVERAL FACES OF PARTNERING - IT IS:*

- 1. A preventive action to reduce destructive conflict.
- 2. A preconstruction management system to set operating ground rules not covered by the contract.
- 3. A predesign management system to set operating ground rules not covered in the professional services contract.
- 4. A marketing tool to assist competent planning, design, and construction firms reduce the potential for debilitating competition.

- 5. A preprogram conference to set concept, ideas, intent and direction for the internal staff of the owner and client.
- 6. A revisiting & updating action to validate, confirm, reinforce, or revise original operating ground rules that need review.
- 7. A planning, design, construction, and turnover system to guide the unspecified, non contract conduct of the project team.

**THE COMPONENTS OF A  
PARTNERING SYSTEM ARE:**

- 1. A **project mission** statement.
- 2. A set of **specific goals and objectives** to be achieved within the requirements of the project contract documents.
- 3. An **evaluation system** that encourages and permits regular, well based evaluations of how well the project team is achieving the mission, the goals, and the objectives defined in the charter.



- 4. An **issue resolution system** that encourages agreement and the closing out of disputes promptly, at the lowest possible management level, and with little, if any, potential for damage to the parties.

## **An Overview of Partnering**

### **I. Definitions**

#### **A. Critical Transition Point**

The point in a project delivery system at which the responsibility and authority for the work passes from the supportive group to the ex'e'cutive group.

#### **B. External project challenges**

Challenges to the functional or project integrity by those outside the parent organization that seek change or disruption.

#### **C. Functional component**

A group designed or adapted to perform some specialized activity or duties, usually concerned with the continuous operation of the company.

#### **D. Internal functional or project challenges**

Challenges to the functional or project integrity by those within the parent organization that seek change or disruption.

#### **E. Partnering**

A method of conducting business in the planning, design, and construction profession without the need for unnecessary, excessive and/or debilitating external party involvement.

#### **F. Partnering charter**

The basic manual for operating a partnering system. Contains at a minimum, the mission of the project team, and their objectives for the project. Usually is signed by those writing the document.

The charter is an agreement in principle and must not supersede or supplant the design and construction contracts in place or to be written.

#### **G. Project component.**

Project - as related to management

A group established to achieve a set of objectives by accomplishing a set of related, discrete operations which have a defined beginning & end.

#### **H. Relations - Formal Functional**

Organizational connections that concern distribution and use of data, information and decisions that flow along formally defined transmission lines. Formal functional communications are usually written and are normally both from and to individuals and groups.

Formal relations are precisely defined and most day to day business is accomplished within the formal relation framework. The line expressing a formal functional relation usually has an arrowhead at each end to show a mutual exchange of responsibility and authority. If there is a higher authority to be implied a single arrowhead can be used pointing to the superior party.

#### **I. Relations - Informal**

The natural channels along which organizationally related material is most easily and comfortably transmitted. The informal relation exists by mutual consent of the parties to the relation, and is stimulated to maximum effectiveness by a mutual profit gained from the relation.

Little, if any, authority normally is expressed in informal relations. Communications are usually

oral and one to one. Often informal relations define the hidden organization structure. A line defining an informal relation is usually shown dotted with an arrowhead at each end.

**J. Relations - Reporting**

The official channels through which each individual conveys, or is given raises, appraisals and evaluations; is fired, assigned or is provided professional, vocational and personal identity in the organization. The true organizational superior of an employee is usually that individual with whom he maintains a reporting relation. The line expressing reporting relations has an arrowhead at one end pointing to the superior.

**K. Relations - Staff**

The business patterns through which a person or group provides consulting services necessary to achieve goals and objectives. Staff personnel usually have little or no authority over those outside the staff group. The line expressing staff relations has an arrowhead at each end.

**L. Relations - Temporary**

Those relations created when extraordinary or unusual management demands must be met. The temporary relation is usually unstable and should be kept active for only short periods of time. The line expressing a temporary relation can have an arrowhead at one or both ends depending on the nature of the relations.

Extensive use of temporary relations creates business dysfunctions, breaks down morale and causes internal tensions.

**M. Stakeholder**

An at-risk member of the charter writing team who has signed the charter.

**II. Project contract components**

- A. Agreement premises
- B. Authority limits
- C. Payment methods
- D. Scope of services

**III. Project organization components**

- A. Relationships
  - 1. Formal
  - 2. Informal
  - 3. Reporting
  - 4. Staff
  - 5. Temporary
- B. Functional components
- C. Project components
- D. Authority
- E. Responsibility
- F. Internal project challenges
- G. External project challenges

**IV. Partnering is a system of conducting business with minimal destructive conflict. Other names for partnering are:**

- A. A handshake agreement.
- B. A gentleman's agreement.
- C. "Let's look at the drawings a bit more closely."
- D. "Let's tally up the favor score?"
- E. "Let's settle this over a beer."

**V. Why is partnering applicable in today's construction industry?**

**A. What value is added by partnering?**

1. Lower costs to resolve conflicts.
2. Quicker settlement of conflicts.
3. Knowledgeable professionals make the resolution decisions.
4. Decision makers are closer to the resolution process.
5. Nature of decisions rendered lessen the probability of appeal.
6. Participants gain privacy in the resolution process.
7. Probability of fair resolution is increased by timely consideration of the dispute.
8. Helps cross critical transition points by setting the ground rules for the crossing.

**B. Where and why has partnering been successful?**

1. Comments on partnering from the Albuquerque District Corps of Engineers staff in a guide to partnering dated February, 1991.

*"Our experience is positive based on six contracts with four of them substantially complete." Benefits include:*

- a) Disputes reduced - no formal claims.
  - b) Common objectives achieved (schedule, safety, etc.).
  - c) Increased responsiveness.
  - d) Higher trust levels.
  - e) Improved communication.
  - f) Excellent cooperation & teamwork.
  - g) Increased value engineering proposals.
  - h) Developed expedited process for tracking and resolving open items.
2. Comments on partnering by Colonel Charles E. Cowen - Commander Portland District Corps of Engineers in a strategy for partnering in the public sector - April 15, 1991.
    - a) 80 to 100 % reduction in cost growth over the life of major contracts.
    - b) Time growth in schedules virtually eliminated.
    - c) Paper work reduced by 66%.
    - d) All project engineering goals met or exceeded.
    - e) Completion with no outstanding claims or litigation.
    - f) Safety records significantly improved.
    - g) Pleasure put back in the process for all participants.
  3. Combination partnering relationships surveyed & studied by the Construction Industry Institute and reported in the publication "In Search of Partnering Excellence" - July 1991).
    - a) Shell Oil/SIP Engineering - 1984.
    - b) DuPont/Fluor Daniel - 1986.
    - c) Proctor & Gamble/Fluor Daniel - 1986.
    - d) Proctor & Gamble/BGP - 1986.
    - e) Shell Oil/Bechtel - 1987.
    - f) DuPont/MK - Ferguson - 1987.
    - g) Shell Oil/The Ralph M. Parsons Company - 1987.
    - h) Alcan/Fluor Daniel - 1988.
    - i) Union Carbide/Bechtel - 1988.
    - j) DuPont/Day & Zimmerman - 1988.

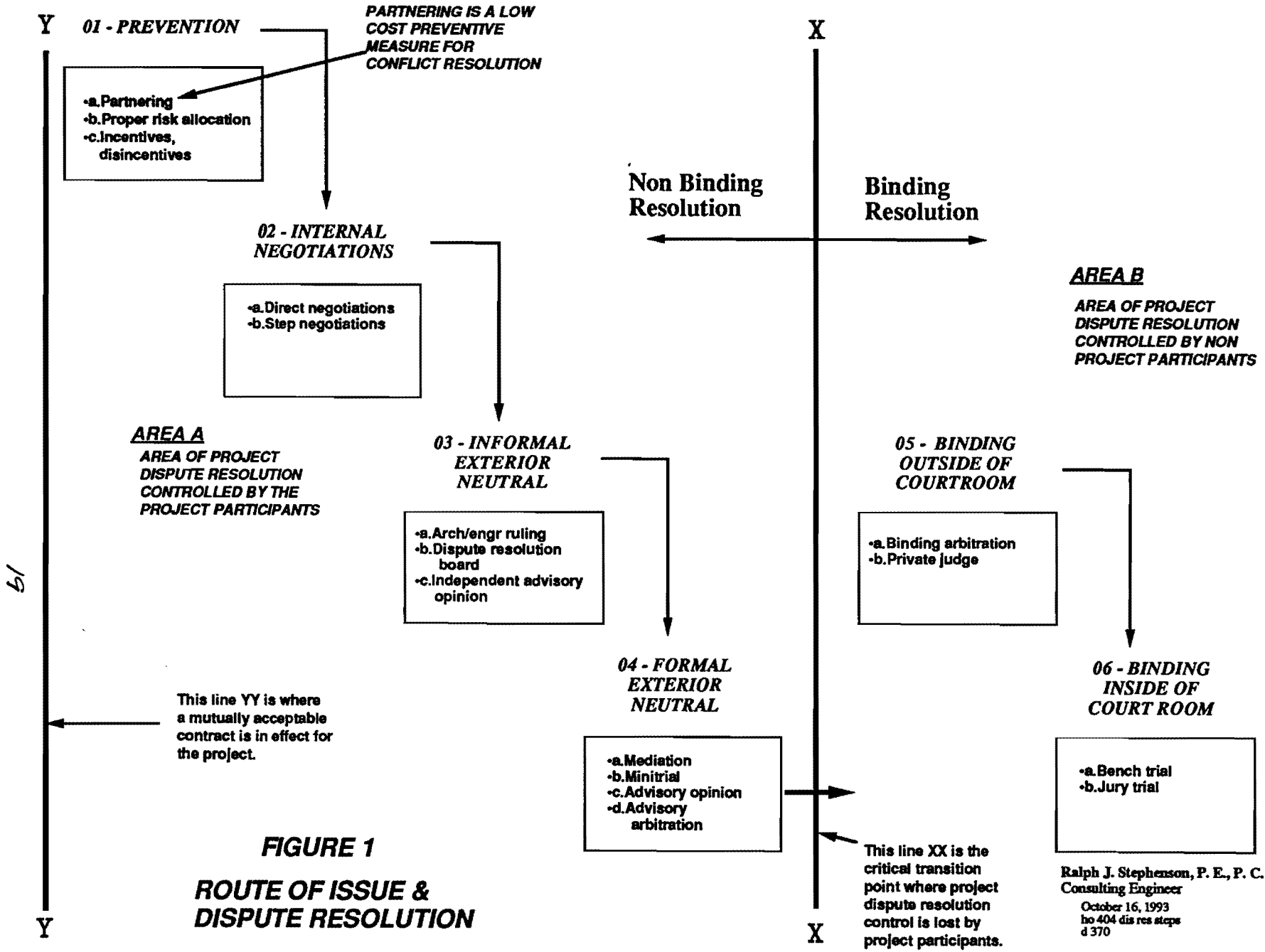
- k) Great Northern Nekoosa/Rust International - 1988.
- l) Pillsbury/Fluor Daniel - 1989.
- m) Hoffman-LaRoche/Day & Zimmerman - 1989.
- n) Chevron/Bechtel - 1989.
- o) Bethlehem Steel/United Engineers & Constructors - 1989.
- p) Proctor & Gamble/M. W. Kellogg - 1989.
- q) Chevron/Besteel - 1990.
- r) DuPont/H. B. Zachry.

**C. Situations in which partnering may be difficult to use.**

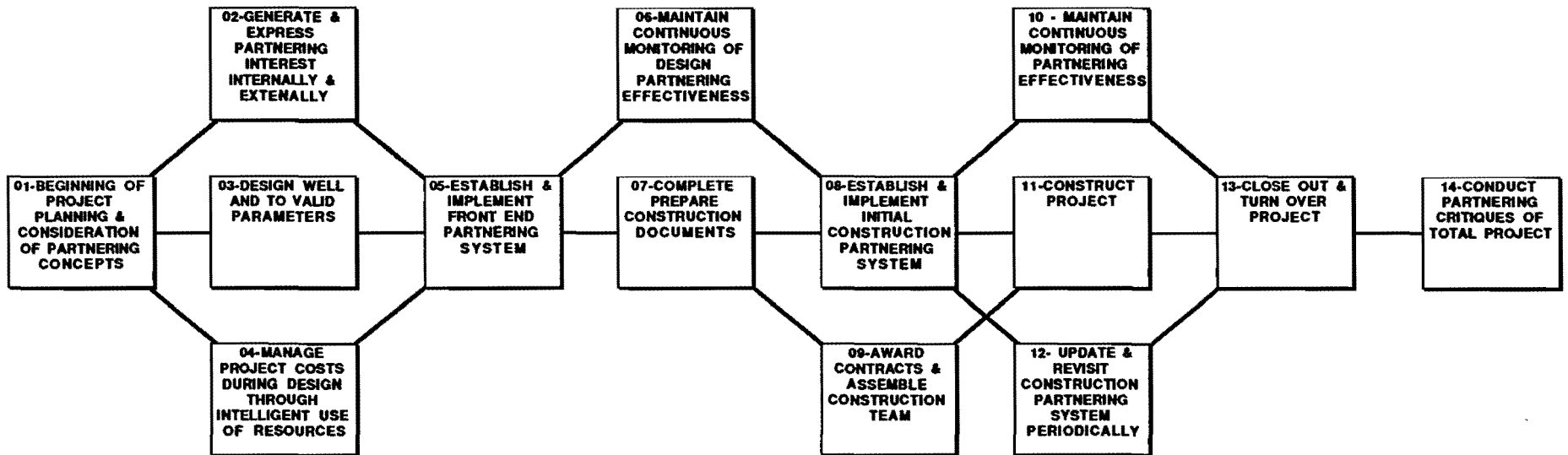
- 1. Where the parties intend to pay lip service only to the partnering effort.
- 2. Where individuals in key technical or management positions choose to resist intelligent discussion and fair decision making.
- 3. Where early commitments by the owner have made good intercontract relationships difficult or impossible to maintain.
- 4. Where construction contracts are let as the documents are being released for field use.
- 5. Where several parties to the contract prefer to resolve disputes by contested claiming & binding resolution.
- 6. Where poor contract documents are made the basis of the partnering effort.
- 7. Where excessive, one sided conditions are placed on sub contractors by prime contractors.
- 8. Where unfair or obscure payment processing systems are specified and enforced.
- 9. Where risk has been poorly defined and unfairly allocated.

**VI. What are some of the action ingredients of a successful partnering effort?**

- A. Generate and maintain a strong desire to achieve project success for all.
- B. Make intelligent commitments.
- C. Avoid accepting or imposing unreasonable risk.
- D. Work and act ethically, morally, and with integrity.
- E. Work and act from a position of fairness rather than a position of power.
- F. Suppress greed.
- G. Try to establish an honest feeling of trust among participants.
- H. Gain support from the participants and stakeholders.
  - I. Assign experience, competent people to responsible management positions.
  - J. Have empathy.
- K. Prepare a good charter, a good partnership evaluation system, and a good issue resolution process.
- L. Allow time to make the partnering system work.
- M. Recognize and celebrate success.
- N. Gain the support and participation of higher management.
- O. Develop and use guidelines and evaluation systems for measuring performance quality.



Ralph J. Stephenson, P. E., P. C.  
 Consulting Engineer  
 October 16, 1993  
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**PARTNERING SEQUENCE**

RALPH J. STEPHENSON, P. E.  
 CONSULTING ENGINEER  
 323 HIAMATHA DRIVE  
 MT. PLEASANT, MICHIGAN 48858

HO 427  
 DECEMBER 22, 1998

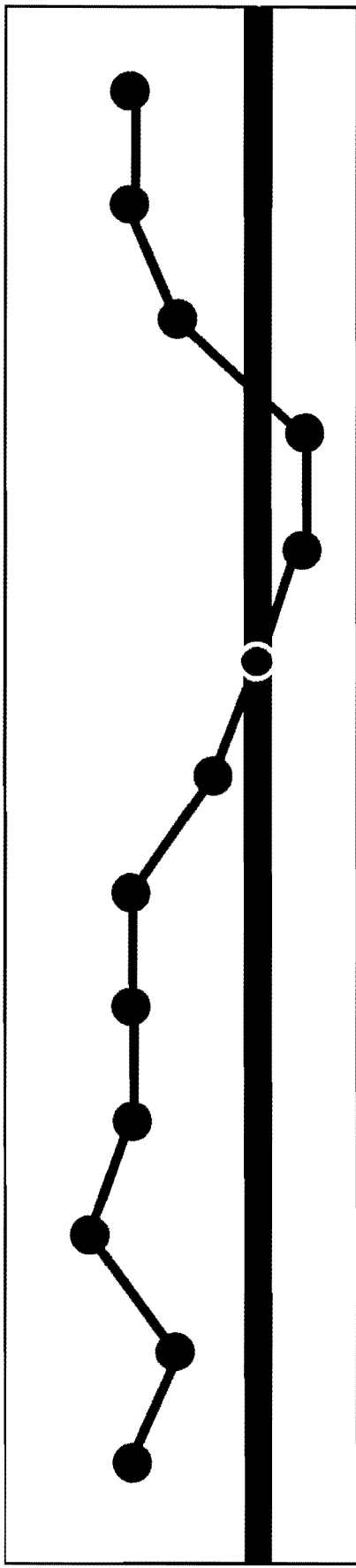
	1992						1993							
	5/28	7/9	8/2	10/1	11/12	12/17	2/11	3/25	5/13	6/24	8/12	9/23	11/10	AVG.
<b>(60) OPEN COMMUNICATION</b>	63	62	64	63	63	63	61	60	59	59	62	63	63	<b>61.92</b>
<b>(15) MINIMIZE PAPERWORK</b>	16	18	19	19.1	19	18	19	17	19	18	18	18	17	<b>18.08</b>
<b>(60) ALTERNATIVE RESOLUTION</b>	55.5	52.5	62	55	56	54	56	60	55.5	53	50	54	57	<b>55.42</b>
<b>(30) LIMIT COST GROWTH</b>	34	30	44	39	34	30	32	33	28	28	32	30	31	<b>32.68</b>
<b>(60) SAFE WORK SITE</b>	58.5	54	55	52	56	55.5	61	50	48	51	49	49	53	<b>53.22</b>
<b>(30) MAINTAIN MORALE</b>	38	42	46	40	37	40	36	38	38	37	39	41	37	<b>39.15</b>
<b>(60) MAINTAIN QUALITY</b>	52.5	49	57	55	60	57	54	57	57	57	56	54	59	<b>55.72</b>
<b>(60) COMPLETE ON SCHEDULE</b>	49.5	45	54	49	48	52.5	51	47	44	45	47	47	47	<b>48.14</b>

21



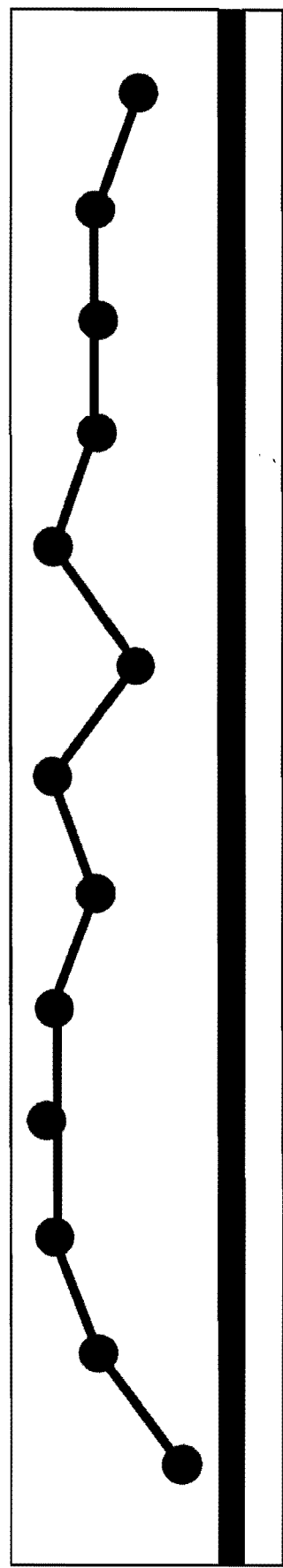
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OPEN COMMUNICATION

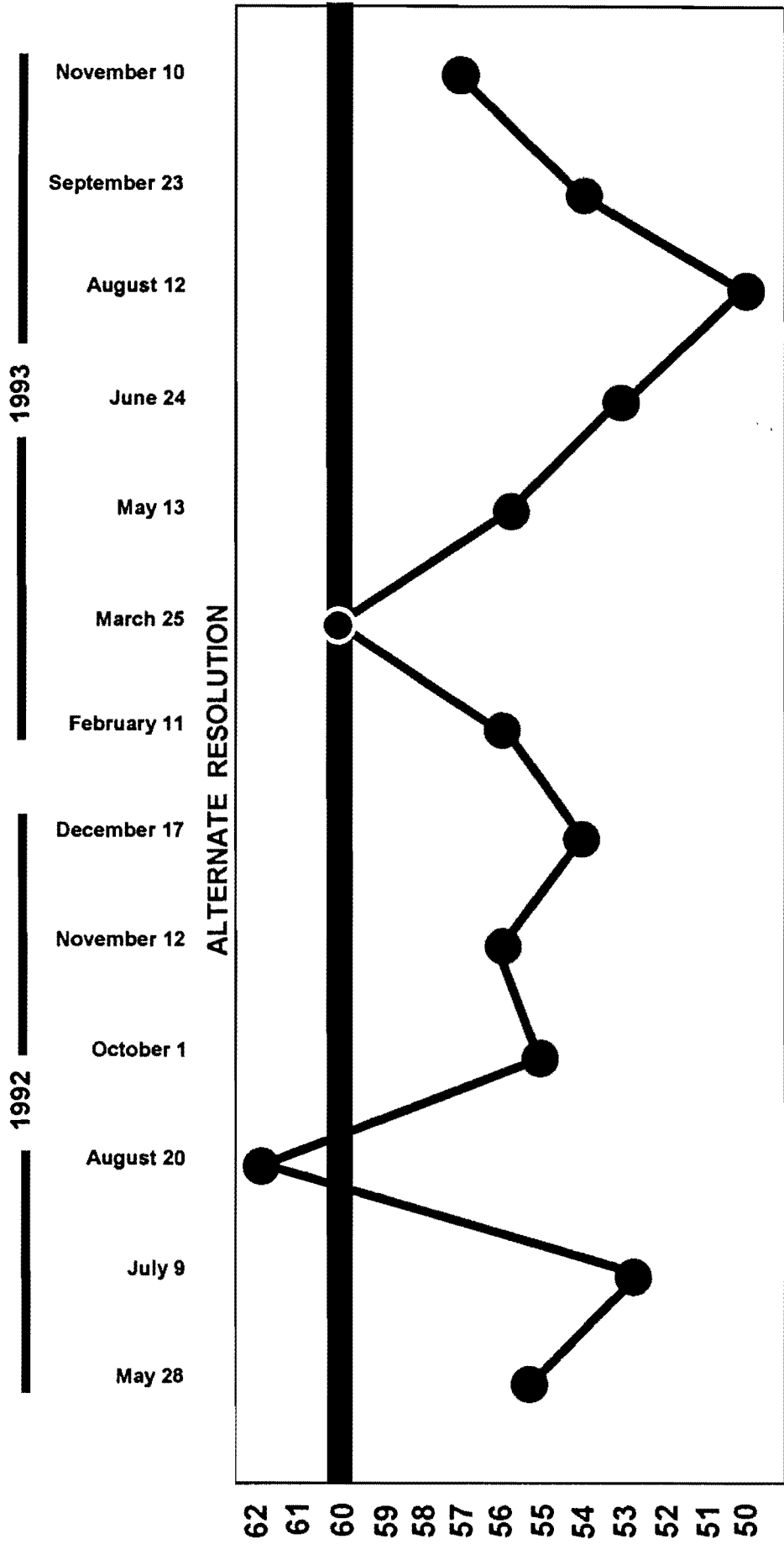


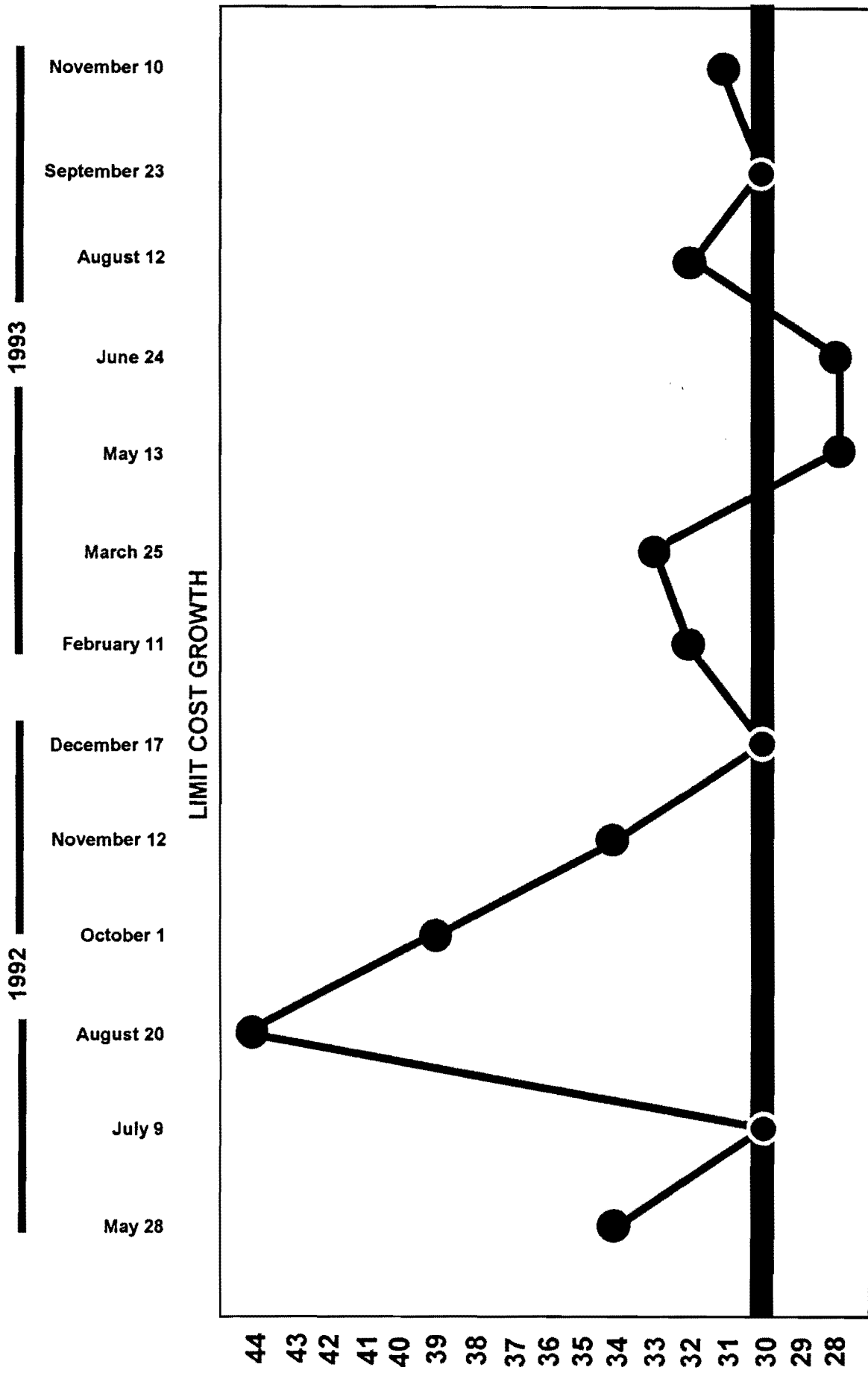
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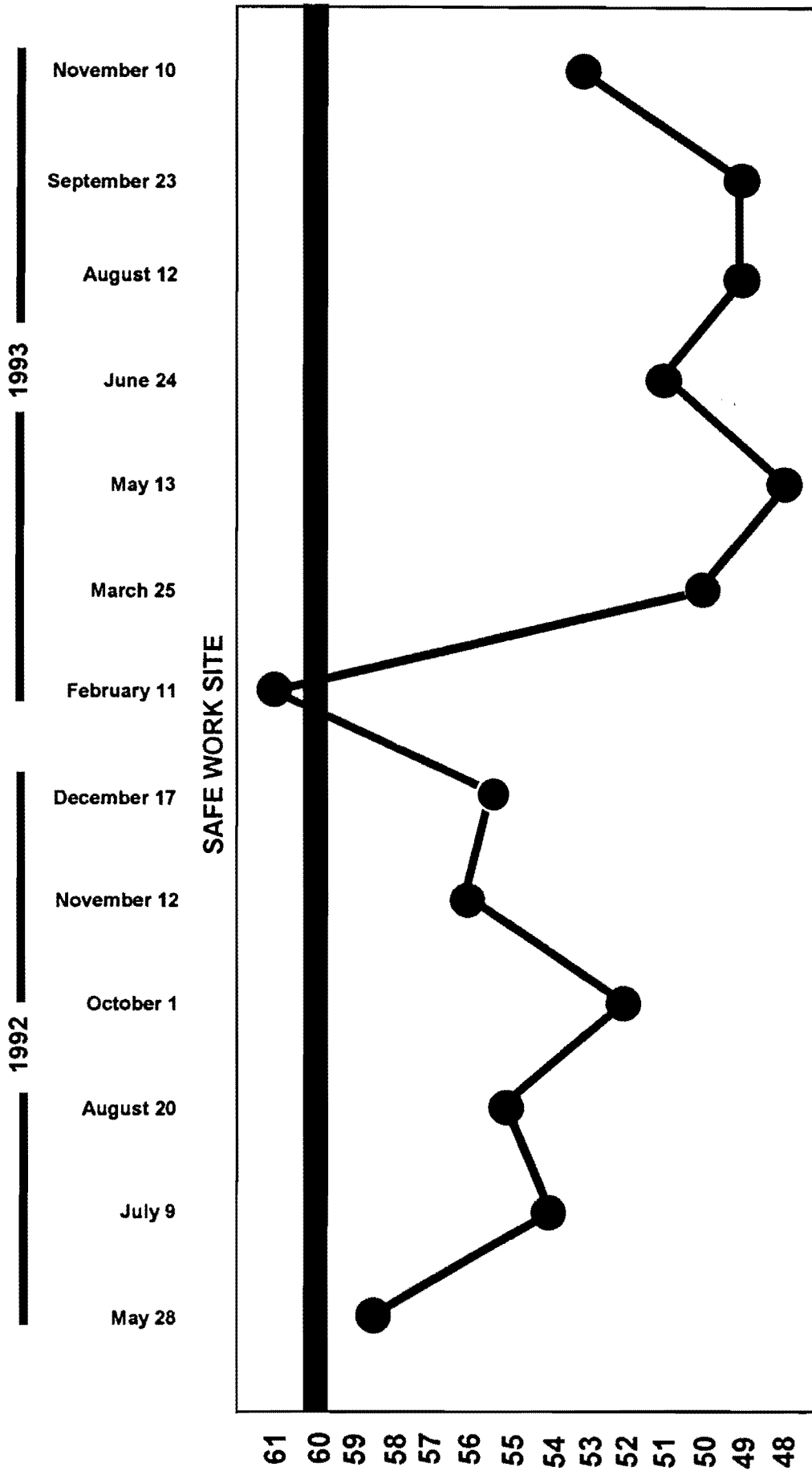
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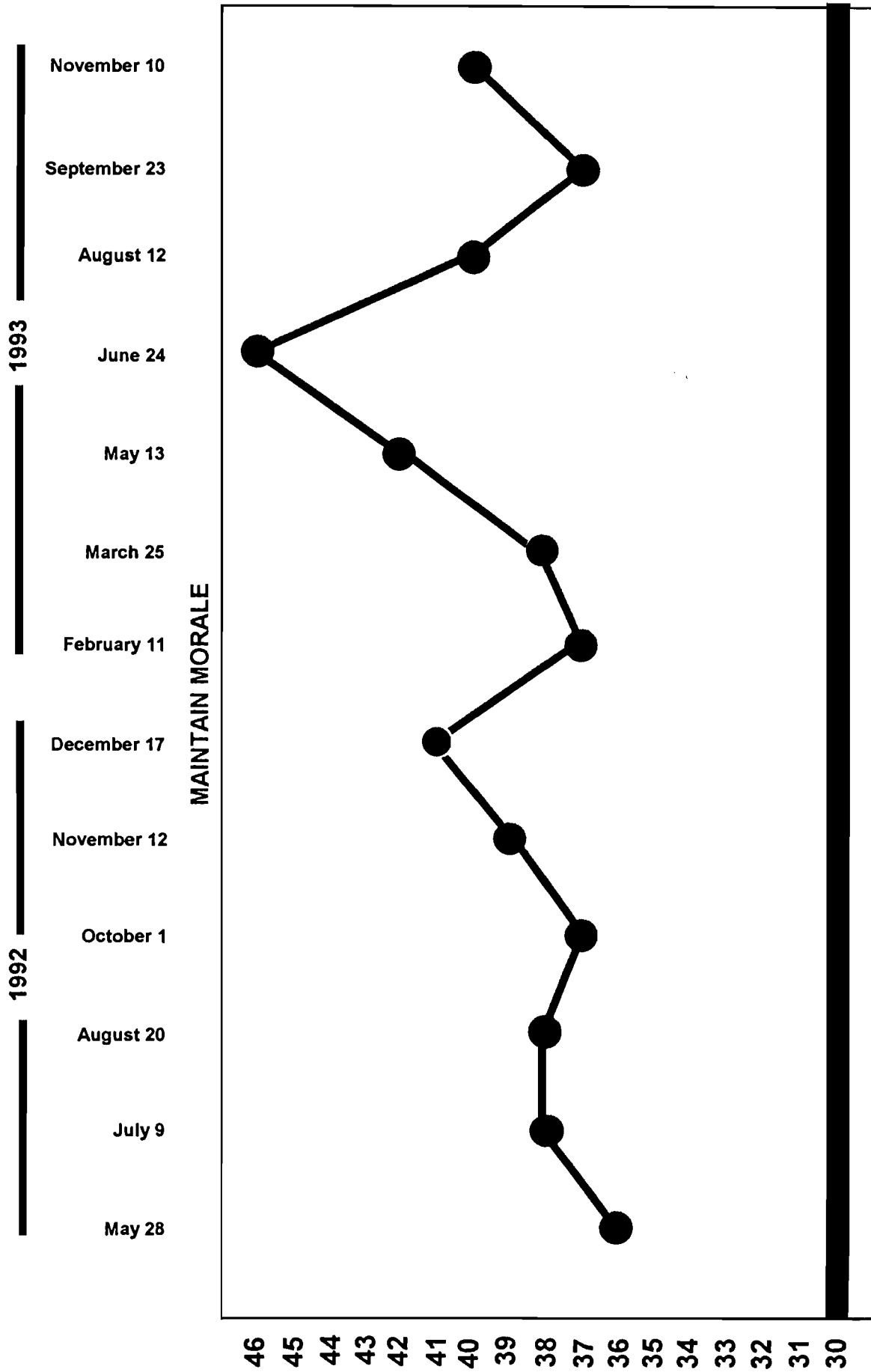


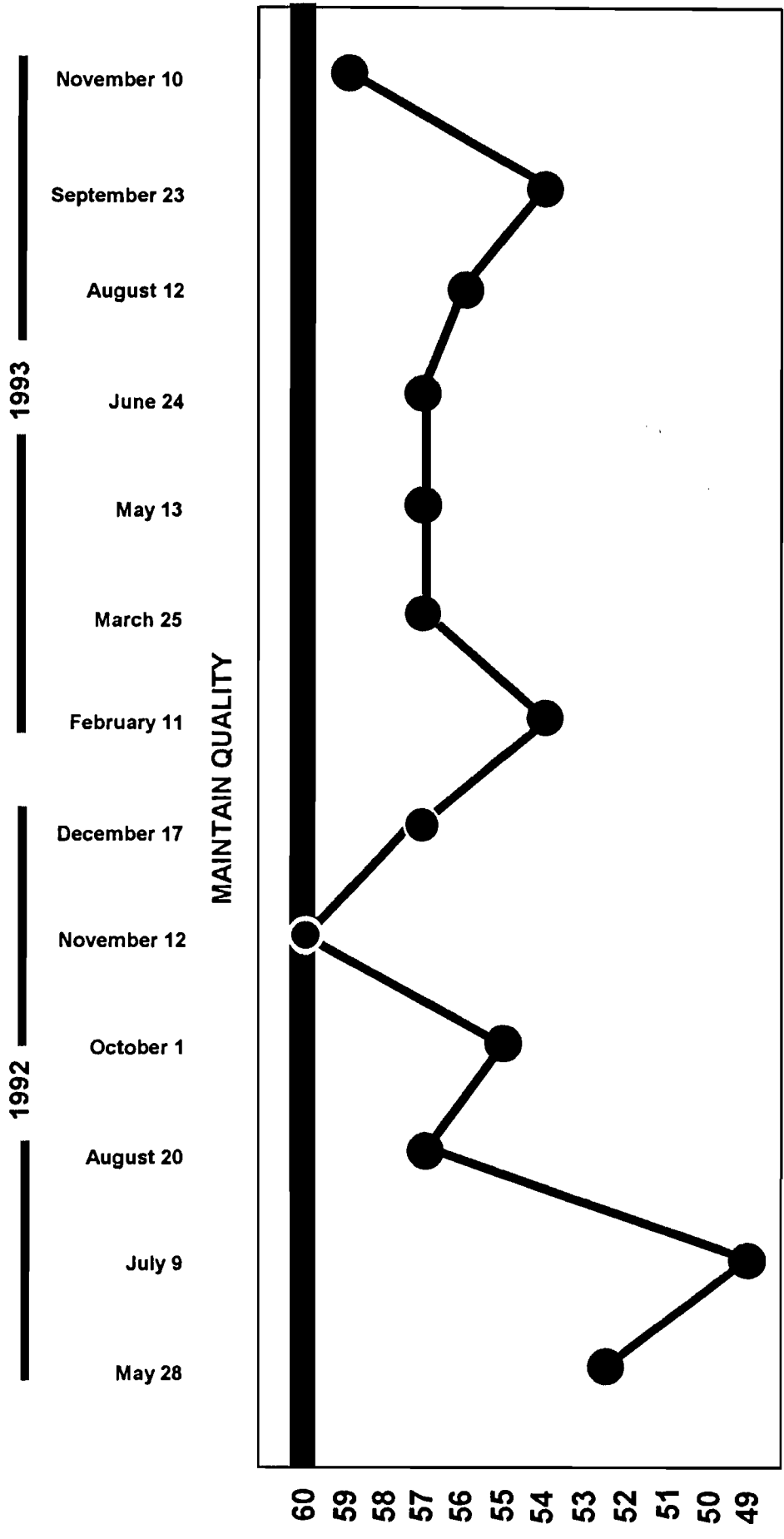
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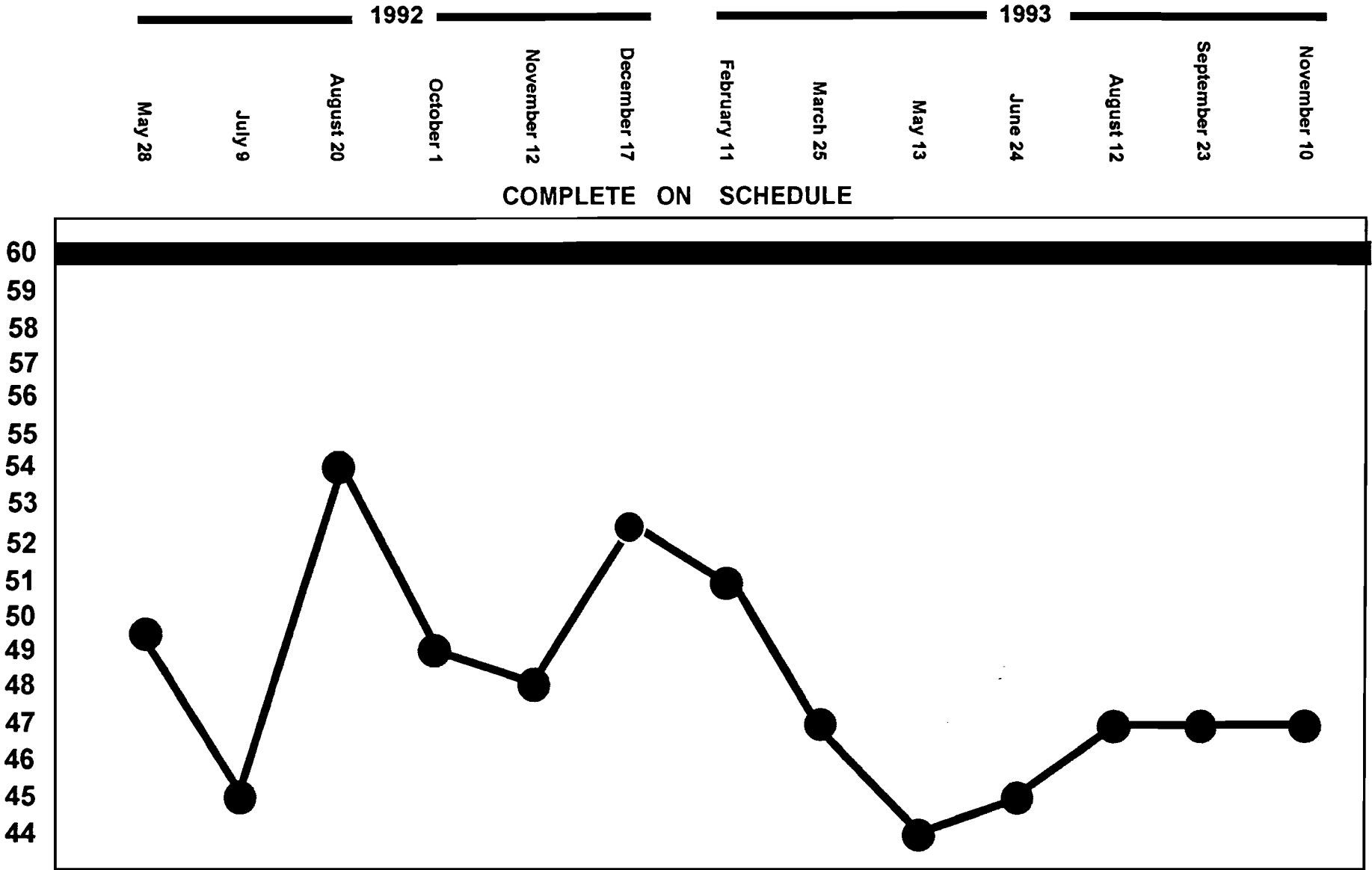








COMPLETE ON SCHEDULE



Ralph J. Stephenson, P. E., P. C.  
Consulting Engineer

April 4, 1993

## ARTICLE FOR MICHIGAN PROFESSIONAL ENGINEER

### HOW TO KNOW WHEN YOUR CONSTRUCTION PROJECT IS A SUCCESS!

#### • Hallmarks of a good design and construction job

Hallmark - *"An indication of quality or excellence -- a mark placed on an article to indicate purity and quality"*

Many influences determine the success of a facility design and construction. Among these are:

- The validity of the defined project goals & objectives.
- The type & amount of profit desired.
- The excellence of the job plan and sequence
- The competence and disposition of the participants.
- The kinds and intensity of problems that are encountered.

Once owners, planners, designers and builders recognize the nature and importance of these factors a major success step is already taken

On any construction program, from concept to full use, there are at least six major goals that must be met to achieve project success for all.

Briefly, the goals are:

1. That the facility program and the facility design have met the needs, desires and wishes of the owner/user, the designers, and the constructors.
2. That the planning, design and construction work on the project has been accomplished within the time and cost structure required and desired.
3. That all relationships on the project have been maintained at a high technical and professional level, and have proven rewarding for those affected.
4. That the people involved at all levels of work on the job have realized a financial, professional and technical profit for themselves and their associates by being on the project.



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5. That the project has been closed out with little or no residual potential for major operational or maintenance problems.
6. That the entire design and construction process has been free of unresolved contested claims for additional money, additional time, damage payments, and there is no potential for future financial demands.

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Any valid evaluation of progress success, or lack of it, must include a method of measuring profit. Experience with many different people, companies, organizations, committees, social structures and other goal oriented groups indicate there are at least seven kinds of profit those participating can expect to receive. Not all are a part of any single individual's expectations. All, however, are usually expected to be gained through the total project effort.

The seven profits are:

1. Financial - an improvement in a money position.
2. Social - a gratifying experience contributing to society's well being.
3. Self actualization - a gain in personal non financial satisfaction by contributive work.
4. Value system - a reward gained by application of values in which one believes.
5. Technical - an acquisition of technical skill or technical data of value.
6. Enjoyment - a personal enjoyment of a situation gained from involvement in it.
7. Educational - a learning made possible by efforts exerted in any given situation.

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A homely example of different profit types and how they can contribute to the

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potential for project success may clarify the importance of understanding profit motives.

Visualize a state park rest stop being built by the Michigan Department of Transportation (MDOT) as a tourist center and showplace for the beauties of the state and nearby areas. The general contract has been awarded to the low bidder on a competitively bid hard, money proposal.

Some of those involved in the project include:

- The general contractor - The general contractor's goal is to do a good job within the contract scope and make a financial profit. They also wish to use this small project to train a new superintendent and project manager to work profitably. Both are important to the contractor.
- MDOT's resident inspector - The owner's representative wants to add a good project to his or her professional record. The inspector's goal is to get the best quality work, in the time specified, and with no additional cost. Then MDOT and the inspector are profitable.
- DNR's technician monitoring known contamination abatement - This regulatory employee is primarily concerned with protecting the health, safety and welfare of the public as affected by the environment. When this is achieved the DNR and the employee have made a profit.
- The architect & engineer of record - They want a good looking, well functioning facility that they have designed within their fee and abilities. Their profit is the fee and the satisfaction of a good design.
- Your subcontractors and vendors - This group looks to the general contractor to help them make a financial profit by your skills and leadership. They also want to construct a project they are proud of and can show off as an example of their skill. When this happens they are profitable.
- Bureau of Tourist Affairs - These are the operators who use the rest stop space to convince the public that Michigan is the place to visit. They want to do this in a pleasant, safe and well designed space. When the tourist public likes what the Bureau is selling, both the tourist staff and the public have made a profit.

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- The tax payer - the financier and user of the facility - After all is said and done, the real profit goal to consider is that of the public. What they want is a facility that meets their needs. They want to have a rest stop that was worth their hard earned tax payments. This is their profit on that hard work.

So - you can see that the profit drive ranges from a pure and simple desire to make money to having fun on a vacation. Your job, whatever role you play, is to help insure everyone involved makes a the profit they desire. When this happens you will probably have built a successful rest stop.

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So far we have considered the end results by which a successful project may be identified. This is not totally adequate in a *how to* discussion of success. The process of achieving success itself must be clearly defined so guidelines to success are visible each step of the way.

Some well recognized authorities say that there are nine major steps to follow in successful design & construction. How well you do them determine how successful you will be.

The steps are:

1. Conceive the basic project - Visualize and state the fundamental nature of the proposed project, what purpose it is to serve, and its base characteristics.
2. Prepare the project program - Set down the physical characteristics of the total project in written and graphic form to clearly define the facility conceived.
3. Articulate the program for approval - Merge the concept, and the program into written and graphic construction language which can be understood and approved by the ultimate decision makers for full design.
4. Approve the project - Release the concept and the program so the full design and construction process can be started.
5. Design the project - Prepare full contract documents for construction use.

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6. Construct the project - Award and build the project ready for turnover to the owner or end user.
7. Turn over the project - Release the constructed project to the owner or end user with full documentation needed to operated and maintain the completed environment.
8. Operate the project - Take over, run in, and make the new facility fully operational.
9. Maintain the project - Keep the new facility in proper operating condition.

Note that the responsibility for acting crosses back and forth between the owner, the end user, the designer, the builder and the operator of the facility. It is the effective passing of the relay baton to each party in turn that keeps the process working well. The process should be functionally seamless!

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**And next - a few words of warning.**

We have examined end measures of success and have looked at the generic process of achieving project success. Now let us consider some of the disruptive forces that diminish the probability of project success.

There are many types and kinds of design and construction problems. However the ones that have been most disruptive to project success are those attracting extensive involvement of outside non liable third parties. These are the individuals who profit through our seeming inability as design and construction professionals to resolve damaging issues.

The most troublesome issues are those that involve the common contested claim. Dozens of different things can go wrong in design and construction that might generate serious conflict and result in a contested claim. However ten of these seem to be the most frequent in our profession.

They are:

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1. Constructive acceleration - An action by a party to the contract that forces more work to be done with no time extension, or the same amount of work to be done in a shorter period of time.
2. Constructive change - An action or inaction by a party to the contract that has the same effect as a written order.
3. Defective or deficient contract documents - Contract documents which do not adequately portray the true contract scope.
4. Delay - A situation, beyond the control and not the fault of a contract party, that causes a delay to the project
5. Differing site condition - A situation in which the actual conditions at the site of a project differs from those represented on the contract documents, or from reasonable expectations of a site in that area.
6. Directed change - A legitimate change within the contract scope for which the owner is obligated to pay.
7. Impossibility of performance - A situation in which it is impossible to carry out the work within the contract requirements.
8. Maladministration - The interference of one contract party with another contract party's rights, that prevents the latter party from enjoying the benefits of least cost performance within the contract provisions.
9. Superior knowledge - The withholding of knowledge by one party to a contract from another party to the contract during the pre contract period, and that, subsequent to contract execution, adversely affects the second party's construction operations in matters of importance.
10. Termination - Dismissal of a party to the project contract for convenience or default.

Each of these potentially disruptive actions has professionally generated solutions. The action becomes potentially dangerous and corrosive mainly when it is submitted to binding decision solutions by those outside our profession.

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Thus a successful project is also one that has been kept free, not necessarily of conflict, but of damaging conflict.

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- Project success starts with honest people, behaving ethically with a high degree of competence.
- Project success further requires them to understand the profit needs and demands of all involved in the project, and to help achieve a profit for all.
- Project success next requires these honest, competent, ethical leaders to fully understand the best sequences to be followed in competently managing a project.
- And finally, project success demands we reduce meaningless conflict to a minimum and spend the time wasted in such contests to improve resolution skills among ourselves.

We need to be successful more often. It's up to you!

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*Consulting Engineer*  
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Mt. Pleasant, Michigan 48858  
(517) 772-2537

### ***About Ralph J. Stephenson, P.E.***

Ralph J. Stephenson, P.E., is an engineering consultant who has a diversified background in land planning , facilities location, building design, and construction.

Mr. Stephenson earned degrees at Lawrence Institute of Technology (Bachelor of Science, Mechanical Engineering), and Michigan State University (Master of Science, Civil Engineering). He has been associated with such firms as Smith, Hinchman, and Grylls, Victor Gruen Associates, Benjamin Schulz Associates, and the H. F. Campbell Company. With the latter three organizations Mr. Stephenson occupied executive positions as vice president. In 1962 he started his own consulting practice, specializing primarily in providing operational and management direction to owners, designers, and contracting firms.

He is a registered professional engineer in Michigan, Wisconsin, Illinois, Indiana, Ohio, Pennsylvania, West Virginia, Virginia, Florida, and Minnesota. He is a member of the Engineering Society of Detroit, the Michigan and National Society of Professional Engineers, the American Planning Association, the Detroit Area Economic Forum, and the Mid-America Economic Development Council.

Since 1952 Mr. Stephenson has been involved at middle and upper management levels in the planning, programming, design, construction, and operation of several billion dollars worth of construction related projects. These include work on industrial, commercial, and institutional programs throughout North America.

Mr. Stephenson has also chaired numerous partnering charter meetings for both public and private sector projects, and has lectured extensively on the subjects of alternative dispute resolution and partnering .

He has also taught hundreds of technical and management seminars in the United States, Canada, and Europe and is the author of several magazine articles and is the co-author of a book on critical path method. His broad experience has given him an understanding of the nature of small, medium, and large size companies, and of the need to solve their management problems through creative, systematic, and workable approaches.

**VAMC partnering charter meeting #2 - disk 309 - 94:10**

- I. **Date of meeting - Thursday, February 10, 1994**
- II. **Time**
  - A. 07:30 A. M. - Continental breakfast
  - B. 08:00 A. M. - Review of partnering and discussion
  - C. 12:00 noon - Adjournment
  - D. Afternoon - Possible attendance at executive meeting of Bateson/Dailey.
- III. **Location - Radisson Plaza Hotel - Southfield, Michigan**
- IV. **Equipment needed - Don Smith will get**
  - A. Overhead projector
  - B. Screen
  - C. Flip chart
- V. **Topics to consider for meeting**
  - A. Adding objectives to charter.
  - B. Check lists used as a quality control device by the VA
    1. Contractors required to complete check list for certain inspections.
    2. Check lists are good idea - however their administration by VA is not popular with subs.
  - C. Close out in early stages.
  - D. Close out procedures will be increasingly of project should be
  - E. Cost growth and how to control it.
  - F. Define posturing
  - G. Discuss posturing and what it might mean to the evaluation process.
  - H. Evaluation scales and how established.
    - I. Field training in adr and partnering for subcontractors
      1. Should include a short session on ongoing training for staff.
    - J. Good communication and its contribution to the project.
  - K. How is partnering used for gaining unearned advantages?
  - L. Low rating subjects
    1. ADR
    2. Site cleanliness and safety
    3. Quality
    4. Schedule
  - M. Might suggest the matrix approach suggested for the MAC project
  - N. Organization chart mentioned in 12/16/94 evaluation. Has such a chart been prepared?
  - O. Partnering events - what are these, and how can they be used to improve the project work?
  - P. Payment timeliness.
  - Q. Providing the attendees with the tabulation of the material gathered in the 13 sessions to date.
  - R. Review adr techniques.
  - S. Review standing neutral methods.
  - T. Should we add charter objectives not originally included?
  - U. Types of objectives that have emerged from partnering sessions.
  - V. Use of check lists.
  - W. VA legal posturing on claim avoidance.
- VI. **Agenda for meeting - subjects at random**
  - A. Cost growth and how to control it.
  - B. Good communication and its contribution to the project.
  - C. Types of objectives that have emerged from partnering sessions.



- D. Review adr techniques.
- E. Review standing neutral methods.
- F. Discuss posturing and what it might mean to the evaluation process.
- G. Close out procedures will be increasingly of project should be
- H. Might suggest the matrix approach suggested for the MAC project

**VII. Evaluation result overview**

Par standard = 375  
High score = 390  
Low score = 343  
Composite score = 365 (average?)

**VIII. Topics mentioned in evaluations that are worthy of attention**

- A. 06/92 - score this period = 369
- B. 07/09/92 - score this period = 390
  - 1. Unresolved issues - none mentioned.
  - 2. Recordable injuries too high.
  - 3. Paper and administrative work minimized.
  - 4. Some posturing relative to requests for extra costs.
- C. 10/92 - score this period = 372
- D. 11/11/92 - score this period = 373
  - 1. Unresolved issues - none mentioned.
  - 2. Increased incident reports (safety matters?)
  - 3. Deterioration of cooperation between subs mentioned.
  - 4. Several issues remain unresolved.
  - 5. Feel partnering format must work for both parties. Seems sometimes used by other parties when to their advantage.
- E. 12/17/92 - score this period = 370
  - 1. Unresolved issues - none mentioned.
  - 2. Mentioned this rating period as being a test of success in alternative conflict resolution.
  - 3. Approval of off site stored materials impacting cost for subs.
  - 4. Mentioned check lists being used for quality control .
  - 5. Awaiting final approved CPM.
  - 6. VAMC seems to get high marks in evaluations.
  - 7. General attitude indicates partnering concept at work.
  - 8. Communication gets high evaluations.
  - 9. Duct pressure classification issue mentioned in conjunction with alternative dispute resolution.
  - 10. No change orders issued to date. May affect close out efforts.
- F. 01/93 - score this period = 370 - January ?
- G. 02/11/93 - score this period = 373
  - 1. Unresolved issues - none listed
  - 2. Mention of personality undertones in field inquiries from RE staff (resident engineer? R. E. Dailey? who ?)
  - 3. Bulletin pricing mentioned as being high.
  - 4. ADR system in place, seems to be working.
  - 5. Mentioned pre pour check lists - what is this?
  - 6. Storage space and non payment for off site storage criticized.
  - 7. Unresolved issue concept commented on favorably.
- H. 04/93 - score this period = 362

- I. 05/13/93 - score this period = 343
  - 1. Unresolved issues - none listed
  - 2. Attempts at early dispute resolution being made.
  - 3. Morale high.
  - 4. Posturing is mentioned - what does posturing denote?
  - 5. Change order process needs improvement.
  - 6. Problems mentioned with interstitial spaces.
  - 7. Schedule changes mentioned as disruptive.
  - 8. Poor payment on change orders and t & m work mentioned.
  - 9. Criticism of Bateson Dailey backcharges.
  - 10. Scheduling criticized.
  - 11. Out of sequence work mentioned.
  - 12. Need permanent systems for temporary heat.
  - 13. Some criticism of inadequate hoisting capacity.
  - 14. Concern about close out being long and drawn out due to lack of change orders and payment on t & m work.
  - 15. VA lawyers still posturing on claim avoidance.
- J. 08/93 - score this period = 353
- K. 09/23/93 - score this period = 356
  - 1. Unresolved issues
    - a) Future equipment
    - b) Yellow brick
    - c) Change order processing
    - d) Core drilling
    - e) Q. C. program
    - f) E. C. detailed schedule
    - g) Water meter change order (JWP)
    - h) Trash/linen supports
    - i) Fin tube covers
    - j) Brick deliveries
    - k) Fireproofing testing
  - 2. Failure to recognize legitimate changes creating additional paper work.
  - 3. Sub contractors not meeting established deadlines.
  - 4. Steady improvement in communications evident
  - 5. Material storage an ongoing problem.
  - 6. Considerable quality control comments on SHG evaluation.
  - 7. Need additional vertical hoisting.
  - 8. Our filing cabinets are not filling up fast.
  - 9. Moat mentioned as an obstacle to access.
  - 10. Cannot complete areas - will cause added costs.
  - 11. Closing in of project may cause difficulties.
- L. 10/93 - score this period = 356 - October ?
- M. 11/10/93 - score this period = 364
  - 1. Unresolved issues
    - a) Future equipment - still open at this time
    - b) Change order processing - still open
    - c) Core drilling (e. c. core drills) - still open

- d) Q. C. programs - still open
  - e) E. C. detailed schedule - still open
  - 2. Starting to see more posturing.
  - 3. Alternative dispute system working when tested.
  - 4. Change orders not being settled in timely manner.
  - 5. Need to have more fun.
  - 6. Brick a problem - why?
  - 7. Numerous lost time accidents.
  - 8. No partnering events arranged.
  - 9. Improvement in communications is steady and benefits are significant.
  - 10. Many construction cost proposals appear unnecessarily inflated.
  - 11. Contractor just starting thinks commitment to quality control is good.
  - 12. Paperwork seems to be diminishing.
  - 13. We are currently involved in another project of similar scope and in comparison I am having difficulty not giving all 5's!
  - 14. Brick is still a problem
  - 15. Schedule still a problem.
  - 16. Too much paper work on brick supplier issue.
  - 17. Mason having many problems
  - 18. Out of sequence work causing problems.
  - 19. Too much movement toward late start dates.
  - 20. Alternative dispute resolution could be the key to a smooth job.
- N. 12/16/93 - score this period = 355
- 1. Unresolved issues
    - a) Fin tube covers
    - b) Brick deliveries
    - c) Change order processing
    - d) Core drilling
    - e) Q. C. programs
  - 2. Having trouble limiting cost growth.
  - 3. Communications got uniformly good grades.
  - 4. Project scheduling criticized mildly.
  - 5. ADR system works when tested.
  - 6. Brick mentioned as a problem.

**IX. General notes**

A. Why has overall average remained about  $10/375 = 0.0267 = 2.67\%$  below par

B. Evaluation scales

- 1. 1. Adversarial/forcing/avoidance/self-interest
- 2. 2
- 3. 3. Accommodating/compromising/moderate posturing
- 4. 4.
- 5. 5. Synergistic/collaborative/win-win/team interest



C. Charter objectives

- 1. Maintain open lines of communication.
- 2. Keep paper and administrative work to a minimum.
- 3. Develop and implement an alternative conflict resolution system.
- 4. Limit cost growth.
- 5. Maintain clean, efficient, safe, secure work site.

6. Seek to maintain good morale and attitudes.
7. Commit to quality control in all project related matters.
8. Close our job in proper and timely manner/schedule
- D. Evaluation scales do not seem to be fitted well to evaluating partnering health. May be too behaviorally described.
- E. Make up transparencies of charts
- F. Why was the 9th point regarding partnering evaluation taken out of the evaluation listing?
- G. Tabulate the comments into a data base for evaluation and compare to original concerns re problems and recommendations.
  1. Charter main points
  2. Charter sub points
  3. Comments
  4. Who from
  5. Who about
  6. Subject material
- H. Seems time is right to reapproach the organization and how the relations in organizations are shown.
- I. Alternative dispute resolution mentions in summaries seem constructive and positive. Ratings however are consistently below par. Why?
- J. Scheduling is not mentioned in charter.
- X. **To discuss with Don Smith - some were discussed on 01/28/94**
  - ✓ A. Can I keep the material he sent?
  - ✓ B. Adding objectives to charter.
  - ✓ C. Public relations program outlined by SHG and others seems well founded. People like to be part of something with positive content. ✓
  - D. What additional partnering events might be possible?
  - E. Cost growth.
  - ✓ F. Payment timeliness.
  - G. Communication.
  - H. Types of objectives.
    - I. Distribution of book of partnering charter meeting information.
    - J. Training and discussion of adr techniques.
  - K. Define posturing
  - L. What is a partnering event?
  - M. Material storage.
  - N. Close out in early stages.
  - O. VA legal posturing on claim avoidance.
  - P. Use of check lists.
  - Q. How is partnering used for gaining unearned advantages?
  - R. Evaluation scales and how established.
  - S. From phone discussion with Don Smith
    1. Evaluation scales set by Don Smith's assistant project manager.
      - a) Not full agreement on the wording of the evaluation scales.
    2. Low rating subjects
      - a) ADR
      - b) Site cleanliness and safety
      - c) Quality
      - d) Schedule

3. Extended general requirements
  - a) Santa Fe rule applied by VA as reason for denying disclaimers and reserved rights clauses.
4. Check lists used as a quality control device by the VA
  - a) Contractors required to complete check list for certain inspections.
  - b) Check lists are good idea - however their administration by VA is not popular with subs.
5. Field training in adr and partnering for subcontractors
  - a) Should include a short session on ongoing training for staff.
6. Adding objectives
  - a) Management at meeting will have to agree to add.
  - b) Could put additions into updated charter.
7. ok to use transparencies of graphs.

**XI. Definitions**

- A. Posturing - To assume an exaggerated or unnatural pose or mental attitude; attitudinize.
- B. Attitudinize - To assume an affected attitude; posture. [Italian *attitudine*, attitude, posture + -IZE.]

**XII. To do**

- A. Prepare & duplicate ho book for session.
- B. Send Don Smith agenda for meeting
- C. Check with Don to see how many people will be at meeting.
- D. Make copies of Don Smith's survey material and return originals to him.
- E. Make transparencies of graphs for evaluations.

## Partnering Charter

### Mission statement

- We the undersigned recognize that we all have common objectives. We therefore agree to strive together to construct the Detroit YAMC safely, on time and within budget to the highest quality standards commensurate with its mission of serving veterans and the community.
  
- To achieve our mission we believe in the following principles
  - Commitment
  - Mutual trust
  - Integrity
  - Personal pride

### Charter objectives

01. Maintain open lines of communications
  - a. Recognize the need for quality information
  - b. Minimize submittal and response times in all matters
02. Keep paper and administrative work to a minimum
03. Develop and implement an alternative conflict resolution system
  - a. Prompt resolution of conflicts at lowest possible level
  - b. Eliminate need for Contracting Officer decisions



Partnering Charter

- c. Fair interpretation of ambiguities
- d. Be proactive (not reactive) in problem solving
- e. Maintain objective attitude toward constructability and practicality
- f. Accept responsibility for your actions or inactions
- g. Have empathy in all matters
- h. Clearly describe changes to contract work
- 04. Limit cost growth
  - a. Develop cost effective measures
- 05. Maintain clean, efficient, secure work site
  - a. No lost time due to accidents
  - b. Properly staff project
  - c. Be a good neighbor
- 06. Seek to maintain good job morale and attitudes
  - a. Promotion of partnering attitudes at all levels of contract administration
  - b. Have fun
  - c. Have pride in your product
- 07. Commit to quality control in all project related matters
  - a. Do it right the first time
  - b. Maintain proper work sequence
  - c. Meet design intent
  - d. Recognize owner's needs in occupation and operation of the facility
- 08. Close out job in proper and timely manner
- 09. Maintain and implement a partnering evaluation system

*John Hill*  
*Tom Smith*  
*John Rylic*  
*Michael...*  
*James...*  
*...*  
*...*  
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 Thu, Apr 16, 1992  
*...*  
*...*

*Angelo Colasanti*  
*...*  
 David S. Ryaska  
 Wm. B. ...  
 B. Bearon

*...*  
*William ...*  
*...*  
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*...*  
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DETROIT VA MEDICAL CENTER  
REPLACEMENT PROJECT

ISSUE RESOLUTION POLICY

It is the goal of the participants of this project to first and foremost avoid unnecessary conflict. To achieve this, we will maintain open lines of communications as stated in the Partnering Charter. Further, it is our goal to resolve an issue at the level at which it arose. If this is not possible, the issue will be referred promptly to the next highest level for resolution.

In all cases, individuals who are involved in a difference should be businesslike and not resort to personal attack. The principles outlined in the Partnering Charter objectives should be followed at all times in resolving differences.

Upon request, site meetings will be used to discuss any unresolved issue in an attempt to reach resolution. Any issue presented should be clearly defined and alternative solutions considered. The resolution process is to work through open communication and looking at the other side's point of view. In addition, issues are to be kept in the forefront to ensure resolution in a timely manner. A log of unresolved issues will be maintained from meeting to meeting.

If resolution cannot be reached at the jobsite, the principals of the involved firms or agencies should attempt to reach resolution through informal discussion before the formal process outlined in the contract documents is used.

In seeking resolution to an issue, involved parties will attempt to:

- Thoroughly understand the issue
- Maintain empathy for the other point of view
- Communicate thoughts openly and clearly
- Clearly document resolution

HOLLAND *[Signature]*  
 MITCHELL *[Signature]*  
 CARRINGTON *[Signature]* *WGL*  
 WEHRMANN *[Signature]*  
 Smith, Hinchman & Co. *[Signature]*  
 Secretary \_\_\_\_\_  
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