

Memorandum

*Making Conservation
a California Way of Life.*

To: DEPUTY DISTRICT DIRECTORS, Construction
DEPUTY DIVISION CHIEF, Structure Construction
CONSTRUCTION MANAGERS
SENIOR CONSTRUCTION ENGINEERS
RESIDENT ENGINEERS

Date: March 26, 2020

File: Division of Construction
CPD 20-5

From: RACHEL FALSETTI, Chief
Division of Construction



Subject: **CORONAVIRUS IMPACT ON ALTERNATIVE DISPUTE RESOLUTION PROCESS**

As the coronavirus disease (COVID-19) continues to impact our daily lives, it may affect the alternative dispute resolution process on ongoing construction contracts. Due to impacts of coronavirus, this directive seeks to modify the alternative dispute resolution process to allow initial and progress meetings to continue.

The Department will allow the use of teleconference for Dispute Resolution Advisor (DRA) and Dispute Resolution Board (DRB) initial and progress meetings, based on the following conditions:

- Contractor agrees that the meetings can be held by teleconference.
- DRA or DRB members will be compensated \$200 per hour of meeting time.
- The Department will reimburse the contractor for 1/2 of the invoiced costs for progress meetings.

Dispute meetings should be postponed at this time so that the meetings can be held in person and the Department will extend the time to hold the dispute hearing.

A sample change order memorandum and sample change order are attached to this directive. This directive serves as delegation of authority from the Division of Construction, except when any of the following apply to the change order:

1. The language is altered
2. The total absolute value exceeds \$200,000
3. Contract time is extended by more than 20 days

If you have questions or comments regarding this directive, please contact Hani Romani, Division of Construction, at Hani.Romani@dot.ca.gov or (916) 651-8647.

Attachments:

1. Sample Form CEM-4903, "Change Order Memorandum"
2. Sample Form CEM-4900, "Change Order"