ANNOUNCEMENT:  BDC18S-04

DATE:      May 24, 2018

SUBJECT:   Contractual Claims Resolution Process
           - Revision to Subpart 107.12.02 of the 2007 Standard Specifications for
             Road and Bridge Construction and Standard Inputs

Subpart 107.12.02 Step II and Step III of the 2007 Standard Specifications and Standard Input have been revised to provide the Contractor with an alternative way to submit a Step III review and Step II has been renamed “Regional Claims Review Board”. Also, an additional condition to the value of claims has been added to provide a more reasonable criteria limitation to projects with a greater value.

The following revisions have been incorporated into the Standard Inputs (SI 2007) as of May 24 2018.

107.12.02 Steps
THE FOURTH PARAGRAPH IS CHANGED TO:
The Contractual Claims Resolution Process is sequential in nature and is composed of the following steps:

1. Step I – Review by the RE.

THE EIGHTH PARAGRAPH IS CHANGED TO:
When the value of the claim submitted by the Contractor is $20,000 or less, the Step II review will be the final step in the Contractual Claims Resolution Process. For such claims, the decision of the Regional Claims Review Board is final and terminates the Contractual Claims Resolution Process.

THE ELEVENTH PARAGRAPH PART 2 AND 3 ARE CHANGED TO:

2. Step II, Dispute Review Board (DRB).
THE HEADING AND ENTIRE TEXT IS CHANGED TO:

2. Step II, Regional Claims Review Board (RCRB). The RCRB is comprised of 3 delegated members of the Department.

   If the Contractor provides a timely written rejection of the RE’s decision and a timely request to forward the claim to Step II, the RE will forward the claim and supporting information previously submitted by the
Contractor to the RCRB within 7 days of receipt of the Contractor’s request to forward the claim to the next step. The RCRB will schedule and hold a meeting to review the claim with the Contractor within 30 days of receipt of the claim information from the RE. This time limit may be extended by mutual agreement of the parties. The RCRB will issue a written decision regarding the claim within 20 days of the meeting.

Within 15 days of the receipt of the decision by the RCRB, the Contractor shall either accept or reject the decision in writing; or upon failure to accept or reject the decision in writing, the Department will terminate the Contractual Claims Resolution Process. If the Contractor rejects the decision and intends to proceed to a Step III review, the Contractor must request a Step III review within 15 days of receipt of the RCRB’s decision. Submit the request to the Secretary of the Department Claims Committee, P.O. Box 600, Trenton, New Jersey 08625-0600 or e-mail to DOT-Secretary.ClaimsCommittee@DOT.NJ.GOV.

THE SECOND PARAGRAPH AS IT APPEARS IN THE SI IS CHANGED TO:

The Claims Committee will not review a claim or combination of claims valued less than $250,000 or 1 percent of the adjusted Contract Price, whichever is greater, until after the receipt of conditional release as specified in 109.11. If the Contract is 75 percent complete or greater as measured by Contract Time or Total Adjusted Contract Price, the Claims Committee will not review a claim or combination of claims valued more than $250,000 until after receipt of conditional release as specified in 109.11. If the Claims Committee does not review a claim or combination of claims before Completion, the Claims Committee will review the claim or combination of claims at a single session of the Claims Committee after the receipt of the conditional release as specified in 109.11 and all claims have been reviewed at Steps I and II of the Claims Resolution Process. When reviewing a combination of claims, the Claims Committee will not review any individual claim valued less than $20,000.

Implementation Code R (ROUTINE)

Changes must be implemented in all applicable Department projects scheduled for Final Design Submission at least one month after the date of the BDC announcement. This will allow designers to make necessary plan, specifications, and estimate/proposal changes without requiring the need for an addenda or postponement of advertisement or receipt of bids.

Recommended By:

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Approved By:

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