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CHAPTER 29. Claims, Disputes, and Appeals

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29.1 Policy

Contractor claims against the Authority should be resolved expeditiously. In the course of contract administration and contract performance, any number of issues may arise. These could range from differing interpretations over specifications, terms and conditions, payments, and performance schedules, to disputes as serious as to lead to termination for default.

The parties shall try to resolve all contractual issues in dispute by mutual agreement at the Contracting Officer level. When that is unsuccessful, claims and disputes are subject to administrative and judicial review.

29.2 Applicability

This Chapter shall apply to claims and disputes between the Authority and a vendor or contractor that arise under or by virtue of a contract between them. All contracts shall include a provision directing that all disputes of the kind delineated in this Chapter shall be finally resolved in accordance with this Chapter. Parties to contracts that do not contain any such provision may, by written agreement, consent to the resolution of any disputes pursuant to this Chapter.

This Chapter applies to claims and disputes about the scope of work as set forth in the contract, the interpretation of contract documents, the amount to be paid for extra work or disputed work performed in connection with the contract, the conformity of the contractor's work to the contract, and the acceptability and quality of the contractor's work.

29.3 Notice and Submission of Claims

29.3.1 *Written Submission*

All claims must be in writing. The claim must contain all information and material relevant to the claim and must contain at a minimum:

1. An explanation of the claim, including reference to all contract provisions upon which it is based
2. The amount of the claim
3. The facts upon which the claim is based
4. Any pertinent data and correspondence the contractor relies upon to substantiate the claim
5. A certification by a senior official, officer, or general partner of the contractor that to the best of the person's knowledge and belief, the claim is made in good faith, supporting documents that accurately reflect the conditions of the claim, and the amount or relief requested accurately reflects the contract adjustment for which the person believes the Authority is liable

29.3.2 *Time for Filing*

The claim must be filed with the person designated in the contract for receipt of claims or, if none is so designated, with the Contracting Officer responsible for the contract. The claim shall be presented within the time provided for in the contract or, if none is provided, within 30 days after the basis for the claim is known or should have been known, whichever is earlier.

The Contractor must give notice of work performed as a result of direction from the Authority's representative, or due to defective specifications where the defect is known to the contractor at the time of performance no later than thirty (30) days from the date of commencement of such work. Lack of notice may prejudice the Authority's position, and such claims will be denied on that basis when appropriate.



29.4 Resolution of Claims

During such time as any dispute is being presented, heard, or considered pursuant to this Chapter, the contract terms shall remain in force and work shall continue as directed by the project manager or the Contracting Officer.

The Chief Contracting Officer may establish in selected contracts non-binding alternate dispute resolution procedures. The procedures may include the use of a Disputes Review Board (DRB), Mediation, or Project Neutrals. The purpose of these procedures is to facilitate the resolution of claims and disputes on expedited basis and to provide additional input to the Contracting Officer in considering the disposition of a claim and/or dispute when agreement cannot be reached between the Authority and its contractor.

29.4.1 Suspected Fraudulent Claims

If the contractor is unable to support any part of the claim and there is evidence that the inability is attributable to misrepresentation of fact or to fraud on the part of the contractor, the Contracting Officer may refer the matter to Authority officials responsible for investigating fraud and shall suspend consideration of so much of the claim as is affected by possible misrepresentation or fraud until the issue is resolved.

29.4.2 Contracting Officer's Authority

The Contracting Officer is authorized, within any specific limitations to his/her delegation of authority, to decide or resolve all claims arising under or relating to a contract in accordance with policy and the contract. The Contracting Officer is authorized to use all reasonable means to the extent practicable including consultation with user departments and outside consultants, and consideration of the input, if any from the Alternate Dispute Resolution procedures set forth in Section 29.4 to resolve claims.

29.4.3 Contracting Officer's Decision

When a claim by a contractor cannot be satisfied or settled by mutual agreement and a decision on the claim is necessary, the Contracting Officer shall:

1. Review the facts pertinent to the claim
2. Consider the input, if any, from the Alternate Dispute Resolution procedures
3. Secure assistance as necessary from the user and legal departments and other advisors
4. Obtain from the claimant such additional information or documentation as may be useful to rendering a decision
5. Prepare a written decision that shall include:
 - a. A description of the claim or dispute.
 - b. A reference to the pertinent contract terms.
 - c. A statement of the factual areas of agreement and disagreement.
 - d. A statement of the Contracting Officer's decision, with supporting rationale.
 - e. A statement substantially as follows: "This is the final decision of the Contracting Officer. There are no other administrative remedies under the contract"

The Contracting Officer shall issue the final decision within 60 calendar days of receipt of the claim, unless a longer period is determined to be necessary,



The Contracting Officer shall have no obligation to render a final decision on any claim or portion of a claim that does not contain the requested supporting documentation. The Contracting Officer should, however, inform the claimant that supporting documentation has been omitted and, if the omission is shown to have been inadvertent and unintentional, permit the claimant to supply the missing documentation.

29.5 Appeal

A Contracting Officer's final decision may be appealed to a court of competent jurisdiction.

29.6 Obligation to Continue Performance

The contractor shall continue performance of the contract, pending final resolution of any request for relief, claim, appeal, or action arising under or relating to the contract.