

Appendix H

ALTERNATIVE DISPUTE RESOLUTION (ADR)

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1. All Disputes

In the event any dispute or claim related to construction or the contracts should arise between any of the parties to this Agreement, each party agrees to exercise good faith efforts to resolve the matter fairly, amicably, and in a timely manner. The parties shall consider litigation as a last resort, to be employed only with ADR methods fail. To this end, the parties agree to take affirmative steps to communicate effectively, to keep lines of communication open, and to handle all disputes in a reasonable and businesslike manner, which may include the use of a dispute resolution board.

2. Mediation: Disputes under \$50,000

Each party to any dispute under \$50,000 agrees, upon the request of any other party to the dispute, to submit the matter to mediation. The parties shall first confer informally with one another to attempt to resolve the dispute. The mediator shall be a person the parties agree is unbiased and qualified to understand the dispute and make the determination that are required.

3. Methods of ADR: Disputes over \$50,000

Each party to any dispute over \$50,000 agrees, upon the request of any other party to the dispute, to submit the matter to ADR, in a form to be determined by agreement of the parties. The parties shall first confer informally with one another to attempt to resolve the dispute. In the event that the assistance of an unbiased neutral is required, the parties shall meet and come to an agreement as to what form the ADR should take and who the unbiased neutral should be. Forms of ADR that may be utilized include, but are not limited to, mediation and mini-trials, but do not include formal arbitration. The unbiased neutral may be a professional mediator, an attorney, an architect, and engineer, a board composed of two (2) or more qualified persons, or any person(s) the parties agreed is unbiased and qualified to understand the dispute and make the determinations that may be required.

4. Authority

When ADR is utilized, regardless of the dollar value of the dispute, each party agrees to have in attendance at their mediation (or whatever method is utilized) a person with actual authority to resolve the dispute.

5. Non-parties

Persons who have a stake in the dispute but who are not parties to this Agreement may be included in the ADR by consent of the parties. When disputes arise between only persons involved in the project who are not parties to this Agreement, the parties agree to encourage and facilitate the use of ADR when possible.

6. Court of Claims

The company agrees that ADR is a condition precedent to the filing of a Court of Claims action or other administrative proceeding seeking economic recovery from **insert name of party** in an amount greater than \$50,000.

7. Cost of ADR

When ADR is utilized, the parties included in the process agree to equally share the costs of same.

8. Appendixes

Any and all written agreements for mediation or other method of ADR must be agreed to by all contractual parties and shall be incorporated into the contract.

CUSTOMER
ACCEPTANCE

INITIALS: _____

DATE: _____

Sample

