

Florida State Arbitration Board



The State Arbitration Board (SAB)



What is it?
How does it work?

The State Arbitration Board (SAB)

**The Revised
Florida
Statute
(2023)**

**DOT
Standard
Specifications**

**The SAB
Procedures
and
Guidelines**

The Goal Is to Manage the Dispute and Keep an Eye on Time & Cost Efficiency




Creature Florida Statute (2023)

Chapter 337.185 F.S. – State Arbitration Board

Chapter 682 – Arbitration Code

The Revised Florida Statute (2023)



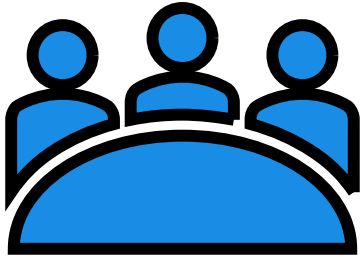
The Statute (2023)-Public Transportation -Contracting

- The SAB was established in accordance with the provisions of 337.185 F.S.
- The SAB must also comply with the Florida Arbitration Code Chapter 682.

State Arbitration Board (SAB)

The **SAB** was established under § 337.185 of the Florida Statutes to facilitate the Prompt Resolution of Claims arising out of or in connection with a **Construction** or **Maintenance** Contract with the Florida Department of Transportation (FDOT) and the various Contractors.

Composition of the SAB



A Panel of three (3) knowledgeable and industry professionals (4 years)

- First Member: appointed by the Secretary of DOT
- Second Member: appointed by the FTBA (Contractors)
- A Chairman: selected by agreement of the DOT & FTBA

Jurisdiction of the Board...

- ➔ The Revised Florida Statute 337.185 provides the following monetary limits:
 - ➔ A claim in an amount up to \$250,000, excluding interest claimed, shall be submitted for Arbitration
 - ➔ A claim greater than \$250,000 up to \$1Million, may be submitted for Arbitration
 - ➔ A claim greater than \$250,000 up to \$2 Million, upon agreement of the Parties

Cost of administration - Filing Fees

- (a) **\$500** for a claim that is \$25,000 or less.
- (b) **\$1,000** for a claim that is more than \$25,000 but is \$50,000 or less.
- (c) **\$1,500** for a claim that is more than \$50,000 but is \$100,000 or less.
- (d) **\$2,000** for a claim that is more than \$100,000 but is \$200,000 or less.
- (e) **\$3,000** for a claim that is more than \$200,000 but is \$300,000 or less.
- (f) **\$4,000** for a claim that is more than \$300,000 but is \$400,000 or less.
- (g) **\$5,000** for a claim that is more than \$400,000 **up to \$2M—*Max Permitted for SAB.***

What is a Claim?

- “The aggregate of all outstanding written requests for **additional monetary compensation, time, or other adjustments** to the contract, the entitlement or impact of which is disputed by the department and could not be resolved by negotiation between the department and the contractor.”
- What about a non-binding DRB Recommendation?

Award from the SAB

Award Issued by the Board Pursuant to this Section is
Final & Enforceable by a Court of Law



Unless (*for \$250K to \$2M*)

A Trial De Novo is filed within the time provided by Rule 1.830, Florida Rules of Civil Procedures (Within 10 Days after the Award is Issued)

The Contracts We Handle...

- FDOT Construction Contracts
- FDOT Maintenance Contracts; and
- State Attorney General's Office Contracts



Type of Projects Referred to the SAB



**State Attorney's Office
Construction Disputes**

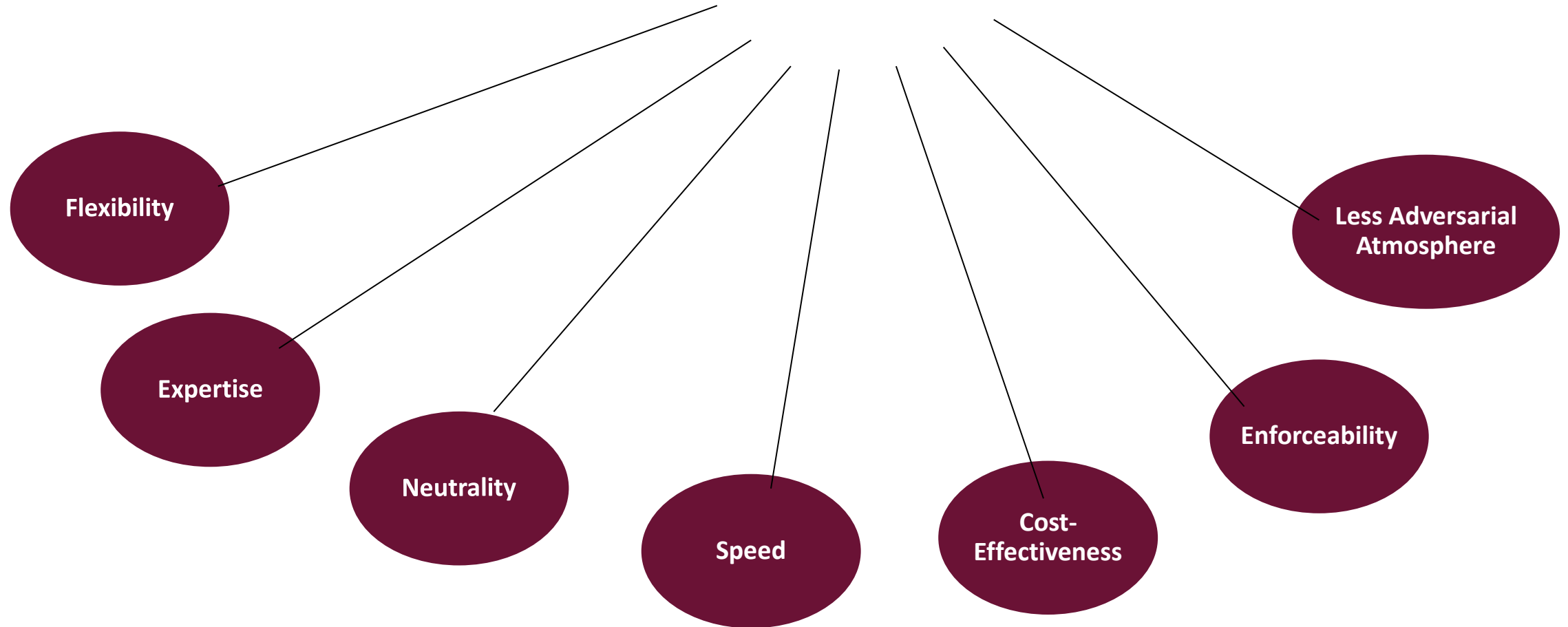


FDOT Construction



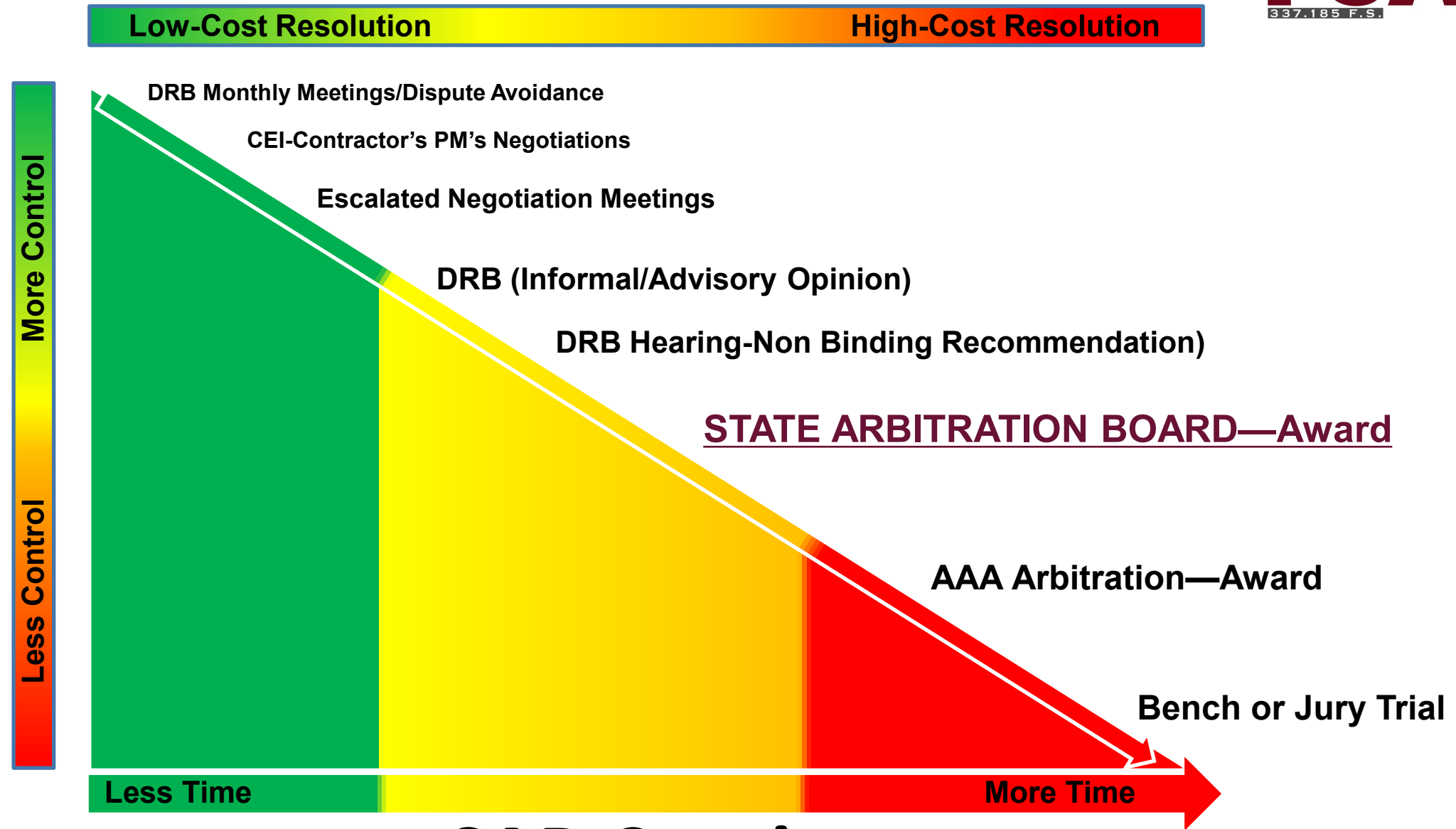
FDOT Maintenance

Why Choose SAB over Litigation?....



Arbitration at the SAB

- ADR versus Litigation
- Quasi-judicial in nature
- Combination of legal and technical **FDOT** knowledge.
- Rules of Evidence & Rules of Civil Procedures NOT strictly applied
- Overall Time & Cost-effectiveness
- The AAA Rules serve as a foundational framework--Familiarity



SAB Continuum

Invoking Arbitration at the SAB

- Filing a Claim within 820 Days after Final Acceptance
A Request for Arbitration MAY NOT be made to the Board before Final Acceptance but MUST be made to the Board within 820 days after Final Acceptance (2.2 years)
- Meeting the Monetary Limits Requirement under §337.185 F.S.
- Paying the Filing Fees & Estimated Costs for Arbitrators

Road Map to SAB's Award



Request For
Arbitration &
Filing Fees



Preliminary
Hearing



Information
Exchange
& Discovery



Evidentiary
Hearing



Post-Hearing
Briefs



The Award

Request For Arbitration

- Invoking the Board: either Party to a Claim (*typically the contractor*) may file a Request for Arbitration
- A **Preliminary Conference Agenda** will be issued by the Board and sent to the Parties with topics to be covered
- A **Preliminary Hearing** will be scheduled (if needed)
- A **Pre-Evidentiary Hearing** will be scheduled for the Parties to argue their case

Preliminary Hearing

- Parties to make arguments on Substantive Issues (dispositive - Jurisdictional issues) and discuss Procedural Matters of the Case
- A Report & Scheduling Order will be issued to the Parties – (a Roadmap with Timelines)
- Parties to adhere to the dates they both agreed on at the Hearing or immediately thereafter.

Discovery Process

- Parties to work within the time frames set forth in the Report & Scheduling Order to exchange information
- Subpoenas would be issued by the Board if requested and deemed necessary
- A Pre-Evidentiary Hearing Conference in the matter, if needed, shall be scheduled and conducted before the Board

Evidentiary Hearing

- ➔ Usually held at the FTBA's Office or FDOT's Turnpike Headquarters—Turkey Lake Plaza
- ➔ Shall be conducted informally
- ➔ Parties present testimony and other evidence
- ➔ Witnesses and Experts will be subjected to direct and cross-examination
- ➔ The case will proceed to the Award—Duration by Complexity

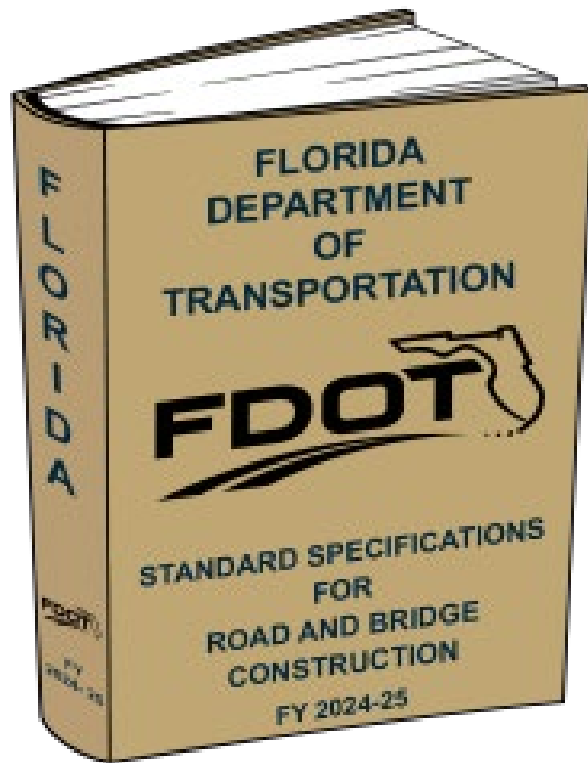
Post-Hearing Briefs

- Parties can reserve the right to serve, and file Post-Hearing Memorandum on all significant disputed issues

The Award & Enforcement by Court of Law

- ➔ The Board issues an Award addressing all claims raised in the Arbitration.
- ➔ The Form of Award issued: Reasoned or Findings of Facts and Conclusions of Law
- ➔ The Award issued by the Board shall be considered final & enforceable by a court of law for claims up to \$250K

The FDOT Standard Specifications



SECTION 5 - CONTROL OF THE WORK

5-12 Claims by Contractor

5-12.12 Settlement Discussions: The content of any discussions or meetings held between the Department and the Contractor to settle or resolve any claims submitted by the Contractor against the Department shall be inadmissible in any legal, equitable, arbitration or administrative proceedings brought by the Contractor against the Department for payment of such claim. Dispute Resolution Board, **State Arbitration Board** and Claim Review Committee proceedings are not settlement discussions, for purposes of this provision.

What Exists Now

- <https://www.ftba.com/construction-design>
- **State Arbitration Board**
- [Arbitration Board Information and Forms](#)
[Request for Arbitration of a Claim](#)
[Contract Time Analysis Form](#)
[Authorization for Subcontractor](#)
[State Arbitration Board Procedures](#)

Preview of Work In Progress

- E-Filing of a Request for Arbitration of a Claim
- New Forms & Procedures available on the FTBA Web Page

[Request for Arbitration Form](#)

[SAB Disclaimer Form](#)

[SAB Information & Guidelines](#)

[SAB Reference Manual](#)

State Arbitration Board

MEMBERS OF THE STATE ARBITRATION BOARD:

Robert A Cedeno Esq., P.E., Chairman and Clerk of the Board

Dan Hurtado, P.E., Member appointed by Secretary of DOT

Rammy Cone, Member appointed by Contractors

Dalia R Assi, Assigned as the Clerk of the Board

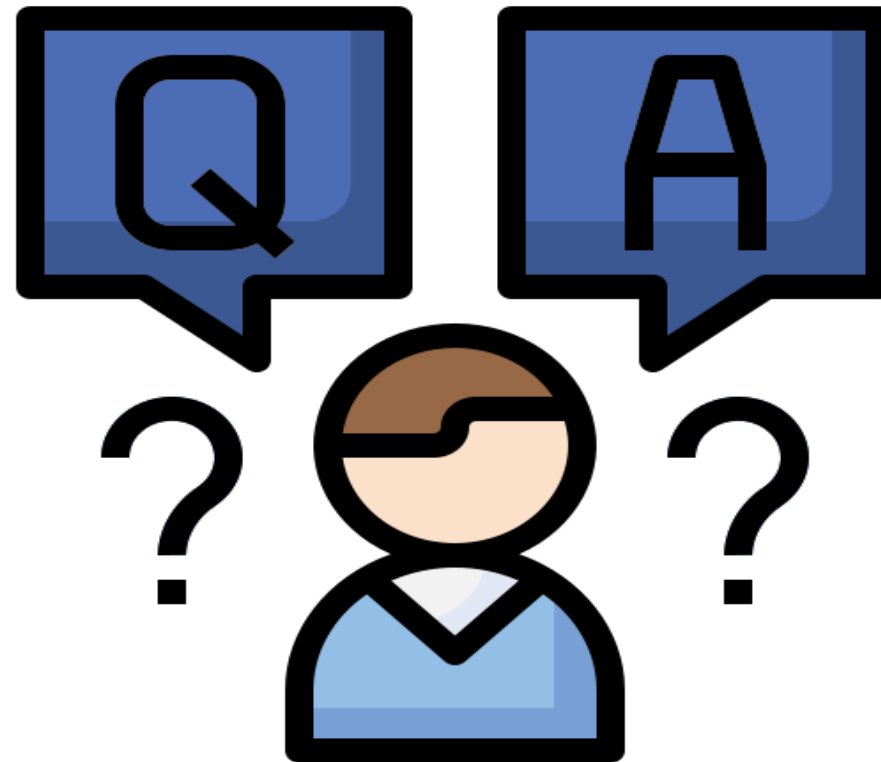
ADDRESS OF THE BOARD:

3600 Red Road, Suite 409

Miramar, Florida 33025

Email: rac@raclawoffice.com

Questions & Answers



STATE ARBITRATION BOARD

Thank You

