

Peacemaker Resolves High-Speed Rail Legal Squabbles

Sam Hassoun believes there are serious ailments plaguing the construction industry that result in additional costs with no added value: arbitration and litigation.

Such disputes are common in the construction industry, Hassoun said, and occur at varying points in a project. Sometimes, disputes center on differing site conditions from design drawings. Other times, problems are caused by “egos and refusal to put what’s best for the project first, and polarization of positions between contractors and owners.”

A reluctance to embrace the true spirit of partnering can also lead to an “us-versus-them mentality” when collaborating on construction projects. Frankly, Hassoun believes if disagreements don’t end amiably, they will lead to a hefty legal bill.

“When disputes happen, each party will be quick to take a hard position, file claims and appoint attorneys to resolve their disputes instead of third-party neutrals who understand the actual work and what it takes to build the project,” added Hassoun, President and CEO of **Global Leadership Alliance, Inc.** (GLA), a partnering and consulting firm. “It takes an average of an additional two to three years sometimes to settle all the claims.

“If we don’t settle them, we have to go to court. And that’s an additional 20 percent or so of the project budget that nobody accounted for when we went out to build those jobs. The taxpayer did not expect us to pay an extra 20 percent with zero value added. Nothing went back to the community, nothing went back to the taxpayers. So that

became a disease, an epidemic.”

Since 2001, **Hassoun and his team** of facilitators have worked with clients to avoid the costly trap of arbitration and litigation. Under Hassoun’s guidance, Sacramento-based GLA has emerged as a leader specializing in the development and implementation of collaborative dispute mitigation systems for state agencies, organizations and construction projects.

As one of 539 certified small business firms working on California high-speed rail, GLA offers customized programs in Construction Project Facilitation, Construction Partnering, Facilitated Dispute Resolution (FDR), mediation, strategic planning, executive

coaching and leadership development.

GLA’s certified neutral facilitators have worked on hundreds of projects in many countries, with a total value over more than \$40 billion.

“Preventative dispute mitigation is about dispute prevention versus dispute resolution. We get in and identify key goals for the project and what’s going to help us achieve these goals,” Hassoun offered. “And then we establish what we call the dispute prevention and resolution process. In the event a dispute doesn’t get resolved in the field, it can quickly be elevated because it has to get resolved. We sit down and we work with all the parties



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President/CEO
Global Leadership Alliance, Inc.

1. After working around the country for Bechtel Corporation, Sam Hassoun landed an engineering job at the California Department of Transportation (Caltrans). He worked on dozens of bridge and road projects before launching Global Leadership Alliance (GLA) in 2001.

on the resolution process.”

GLA has provided its dispute mitigation expertise for the California High-Speed Rail Authority since 2015, working with **Dragados-Flatiron Joint Venture (DFJV)** on CP 2-3 and **California Rail Builders, LLC** on CP-4. Both project sections are in the Central Valley.

“Our services are designed to bring together the Authority, their project management firms and all the subcontractors and contractors to keep them focused on the common goal,” Hassoun said. “The common goal is to safely construct the section for that project and overcome the challenges that keep the project on schedule and within budget, while maintaining the quality expected by the end user.

“We are also helping the Authority to work with other sister agencies. High-speed rail is going to cut across land, air, environment and utilities. A lot of existing structure has to move out of the way for that to go through and that is not easy.”

Having worked as a civil engineer for over 30 years is key to the success of GLA and its continued growth along with Hassoun’s ability to relate to both sides of a dispute. “I speak both languages – the language of the contractor and the language of the owner,” said Hassoun. “My client is not the owner and it’s not the contractor. It’s the project.”

Ricci Graham

1. & 2. In 1989, Sam Hassoun worked on the repair of the Bay Bridge after the Loma Prieta earthquake broke a 50-foot section of the bridge. That job helped prepare him for what he does for the high-speed rail project today – settling contract disputes before they land in court.

3. Global Leadership Alliance CEO Sam Hassoun conducts partnering sessions and lectures about leadership in the construction industry. He discusses how to keep dozens of people working on large projects focused on maintaining quality while completing their work on time and within budget.

