MONTANA TRANSPORTATION COMMISSION

Policy No. 011

CLAIMS DISPUTE

POLICY

1. Should a contract specification, provision or other requirement (e.g., materials tests) be disputed (e.g., by claims process), or attacked by legal challenge (e.g., by lawsuit), after submission of a Proposal for the contract by a prime contractor, subcontractor, supplier, etc., it may be grounds for:

   a. a recommendation by the Department that the involved prime contractor, subcontractor, supplier, etc., be debarred from participation in projects [see 18.3.101 *et seq.*, ARM], to include suspension. Debarment or suspension actions will be in accordance with the procedures stated in the ARM; and/or

   b. determination by the Commission that the involved prime contractor, subcontractor, supplier, etc., can be considered not to be a responsible participant for future projects [see 18.3.201, ARM], so that a bid submitted by them may be rejected without consideration, the Department may refuse to approve a subcontract with them, or not allow a firm to participate in a project by purchase agreement, etc.

2. The above can include situations where a prime contractor only "passes" a dispute/attack to the Department from a subcontractor or supplier. If a subcontractor or supplier chooses not to comply with a specification or requirement, it is up to the prime contractor to enforce its contract and its provisions and not pass the subcontractor's or supplier's dispute of the contract to the Department. Prime contractors will manage their subcontractors and suppliers directly and will not allow them to question or attack the provisions of the prime contractor's contract directly to the Department.

3. This policy in no way prevents or restricts a party from presenting a claim that the Department did not itself comply with a contract specification, provision or requirement, and does not prevent proposals under a contractual value engineering specification. It is recognized that a contract specification, provision or requirement be reasonably subject to ambiguity or varying interpretation or claimed differing site conditions. Nothing herein is intended to prohibit a prime contractor, subcontractor, or supplier from claiming an ambiguity or varying interpretation relating to a contract specification, provision or other requirement.

Signature on File

X _____

Thorm R. Forseth, Montana Transportation Commission Chair

HISTORY

Effective: 9/28/2000

Updated: 2/10/2026