

AR 3314 Payment for Goods and Services

Payments Related to Construction

Payment on any contract for the creation, construction, alteration, repair, or improvement of any district property or facility or other public works project shall be made in accordance with the estimates, process, and/or schedule approved by the Governing Board.

As necessary, the Superintendent or designee may make progress payments as actual work is completed or materials are delivered. When a payment request is properly submitted by a contractor, any undisputed portion of the payment request shall be paid within 30 days. If the Superintendent or designee determines any payment request to be improper, he/she shall return the payment request to the contractor with a written statement of reasons why the request is not proper. (Public contract Code 9203, 20194.50)

The district may withhold up to five percent of the proceeds due to the contractor until completion and acceptance of the project. (Public contract Code 7201)

The proceeds to be withheld by the district may exceed five percent when the Board has made a finding, prior to the bid and during a properly noticed and regularly scheduled meeting, that the project is substantially complex and requires a higher retention amount than five percent. In such cases, the Board's finding and the actual amount to be withheld shall be included in the bid documents. (Public contract Code 7201)

At any time after 50 percent of the work has been completed, the Board may release the withheld proceeds if it finds that satisfactory progress is being made. (Public contract code 9203)

Proceeds withheld by the district from payments to contractors for public works contracts shall be released within 60 days after the construction or improvement is completed. In the event of a dispute between the district and the contractor, the district may withhold from the final payment an amount not to exceed 150 percent of the disputed amount. (Public Contract Code 7107)

Authorized Signatures

The Superintendent or designee may file his/her manual signature with the Secretary of State and may subsequently have a facsimile signature used when executing any instrument of payment. The facsimile signature also may be used to execute any public security, provided that at least one signature required or permitted to be placed on it shall be manually subscribed. (Government Code 5501)

Board Approved:

March 8, 2012

April 15, 2004

Effective Date: July 1, 2004