April 30, 2015

REVISION OF SECTIONS 108 AND 109

PAYMENT SCHEDULE (MULTIPLE FISCAL YEARS)

**NOTICE**

This is a standard special provision that revises or modifies CDOT’s *Standard Specifications for Road and Bridge Construction.* It has gone through a formal review and approval process and has been issued by CDOT’s Project Development Branch with formal instructions for its use on CDOT construction projects. It is to be used as written without change. Do not use modified versions of this special provision on CDOT construction projects, and do not use this special provision on CDOT projects in a manner other than that specified in the instructions unless such use is first approved by CDOT’s Standards and Specifications Unit. The instructions for use on CDOT construction projects appear below.

Other agencies which use the *Standard Specifications for Road and Bridge Construction* to administer construction projects may use this special provision as appropriate and at their own risk.

**Instructions for use on CDOT construction projects:**

Use in projects which are expected to require more than one State fiscal year to complete.

April 30, 2015

REVISION OF SECTIONS 108 AND 109

PAYMENT SCHEDULE (MULTIPLE FISCAL YEARS)

Sections 108 and 109 of the Standard Specifications are hereby revised for this project as follows:

Delete subsection 108.04, and replace with the following:

**108.04 Payment Schedule.** The Contractor shall prepare a payment schedule which shall show the dollar amount of work the Contractor expects to complete by the progress estimate date each month for the duration of construction. When the Payment Schedule is used to determine the “Encumbrance Amount,” it shall be signed by an authorized agent. The schedule shall cover the period from the commencement of work to the expected completion date as shown on the Contractor’s progress schedule. The payment schedule shall show the dollar amount of work the Contractor expects to complete by the end of each State Fiscal Year (July 1 to June 30). The payment schedule may be prepared using standard spreadsheet software such as MS Excel and submitted in electronic format.

(a) *Initial Payment Schedule.* The Contractor shall submit the certified initial payment schedule within 15 days of the award of the contract. The Contractor may submit a revised initial schedule at the preconstruction conference. The payment schedule shall show the total dollar amount of work expected to be completed by each month’s progress estimate date and a total for each of the State’s Fiscal Years that the project will be active.

The amounts shown shall include planned force account work and expected incentive payments.

(b) *Payment Schedule Updates.* Once each month the Contractor shall submit a payment schedule update to the Engineer. The schedule update shall be in the same format as the initial schedule and shall be submitted to the Engineer by the first day of each month. In each payment schedule update, estimated monthly dollar amounts shall be revised to match actual progress payments made to the Contractor to date. Each payment schedule update shall show corrected dollar amounts of work to be completed each month through the expected completion date as shown on the Contractor’s progress schedule.

If the payment schedule update has any State Fiscal Year (July 1 to June 30) payment in excess of the most recently approved payment schedule’s fiscal year totals, the Department may, in its sole discretion, approve the Fiscal Year payment increases in the Contractor’s schedule of payments. If the Department does not approve the Fiscal Year payment increases the Contractor shall either revise the payment schedule to conform to the most recently approved payment schedule or proceed at his own risk. A Contractor proceeding at his own risk will be paid for the at risk work in the July Partial Payment.

If the payment schedule update has any State Fiscal Year payment in excess of the most recently approved payment schedule because of differing site conditions, changes, or extra work performed in accordance with Section 104, and this payment is not approved by the Department, the delay for not performing this defined work in the scheduled Fiscal Year will be compensable in accordance with subsection 108.08(c), if the Contractor does not proceed at his own risk.

If the payment schedule update has any State Fiscal Year payment in excess of the most recently approved payment schedule because of the Contractor's accelerated schedule, and this payment is not approved by the Department, the delay for not performing the work associated with the Contractor's accelerated schedule in the scheduled Fiscal Year will be noncompensable in accordance with subsection 108.08(c), if the Contractor does not proceed at his own risk.

(c) *Failure to Submit Payment Schedule.* If the Contractor fails to submit the initial payment schedule or a payment schedule update by the required date, the Engineer will withhold progress payments until such time as the Contractor has submitted a current payment schedule.

Subsection 109.06 shall include the following:

(h) *Maximum Partial Payments*. Partial payments will not be made in excess of the initial payment schedule’s fiscal year totals except at the sole discretion of the Department. Work performed in excess of the initial Fiscal Year estimate, without written approval of the Department, shall be performed at the Contractor’s risk. A Contractor proceeding at his own risk will be paid for the at risk work in the July Partial Payment.